Daily Report

East Europe

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Thursday
27 December 1990

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NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Budapest Meeting Held on Future of CEMA

LD1912193790 Prague CTK in English 1809 GMT 19 Dec 90

[Text] Budapest Dec 19 (CTK correspondent)—A coordinated line to be pursued at the session of the executive committee of the Council for Mutual Economic Assistance (CMEA) due in Moscow at the beginning of January was discussed here today by ministers of Czechoslovakia, Hungary and Poland.

Today's meeting was attended by Czechoslovak Economics Minister Vladimir Dlouhy, Hungarian Minister for International Economic Relations Bela Kadar and Polish Minister-Chairman of the central planning office Jerzy Osiatynski.

Dlouhy told CTK that though the three countries give priority to creating a new organization to preserving CMEA's present form, they prepared draft statuses for both variants.

According to Dlouhy, the new organization should have a smaller apparatus. Czechoslovakia, for instance, would cut its staff to a mere 26 per cent. The organization should be more operative and should serve first of all the exchange of information. It would be open also to other states, but would no longer determine the character of trade relations.

UN Envoy Explains Pentagonal Statement

LD1912114190 Budapest Domestic Service in Hungarian 0500 GMT 19 Dec 90

[Text] The countries of the Pentagonale group for the first time have presented a joint statement to the United Nations. The subject was the question of national minorities, which is the source of numerous disputes and conflicts in our region as well. But Austria, Czechoslovakia, Yugoslavia, Italy and Hungary, by way of the Hungarian initiative, could work out a common stand which UN Ambassador Andre Erdos presented on behalf of the group at the UN Assembly session.

[Begin Erdos recording] In our contribution we indicated that the unresolved state of the problems of national minorities could present a serious challenge with respect to social stability, democracy, and human rights within our countries. We stated that although there could be understandable differences of approach, realization is growing within the United Nations that the question of national minorities is a decisive aspect of international relations. [end recording]

Black Sea Free Trade Zone Talks End in Ankara

AU2112173790 Sofia BTA in English 0806 GMT 21 Dec 90

[Text] Ankara, December 21 (BTA corr.)—The meeting between delegations of Bulgaria, Romania, the USSR and Turkey on the establishment of a Black Sea zone of economic cooperation ended here. The leaders of the delegations were received by President Turgut Ozal. He expressed the hope that the realization of the Black Sea economic cooperation zone idea will contribute to the economic stabilization and development of the member states, to increasing the importance of the region in the EC processes and to turning the Black Sea into a sea of peace.

The delegations exchanged opinions on the draft project presented by the Turkish side on the establishment of a Black Sea zone of economic cooperation.

As Mr. Tansu Bleda, deputy minister of foreign affairs and leader of the Turkish delegation to the talks, pointed out upon the completion of the meeting that the talks had taken place in a spirit of understanding and sincerity. The participants in the Ankara meeting have agreed to continue their work on the realization of Turkey's idea and to hold a second meeting in January for a more detailed elaboration of this idea. All issues were discussed in the light of the complicated period which Bulgaria, Romania and the Soviet Union are now experiencing.

PLA Plenum Appoints Central Committee Members

AU2612223190 Tirana Domestic Service in Albanian 2150 GMT 26 Dec 90

[Unattributed report: "Communique of the Plenum of the Albanian Workers Party Central Committee"]

[Text] A national aktiv of the Albanian Workers Party [PLA] was held in Tirana today under the chairmanship of Comrade Ramiz Alia, first secretary of the Central Committee.

The agenda included:
1. Discussion and approval of the party electoral program.
2. Discussion of the list of candidates to be proposed by the party as deputies to the People's Assembly.
3. Approval of the commission for drafting the party's program which will be presented to the 10th Congress.
4. Approval of the commission for the review of the party statute.

Comrade Ramiz Alia made an important speech at the aktiv, which analyzed the basic ideas of the party's electoral program, [words indistinct] which was discussed at length.

The participants in the aktiv approved these unanimously and expressed their readiness and determination to bring to life the tasks set in them.

At the end, the party Central Committee plenum, at a special sitting, promoted from candidate members to members of the Central Committee Comrades Nazim Skuqi, Gramoz Ruci, Bujar Kolaneci, Kostandin Hoxha, and Spiro Dede. It also coopted as candidate members of the Central Committee Comrades Farudin Hoxha, Ismail Lleshi, Fatos Nano, Mojkom Zeqo, Ylli Bufi, (?Veip Roda), Halim Abazi, Pajtim Ajazi, and Namik Dokle.

The plenum elected Comrade Spiro Dede as secretary to the Central Committee.

The plenum of the PLA Central Committee, Tirana, 26 December 1990.

The commission for drafting the party's program:
1. Ramiz Alia, chairman.
2. Nazim Skuqi, deputy chairman.
3. Adil Carcani.
4. Abdyl Backa.
5. Artan Fuga.
6. Besnik Bekteshi.
7. Fatos Nano.
8. Fehmi Abdiu.
9. Halil Hasko
10. Hekuran Isai.
11. Hekuran Mara.
12. Ismail (?Lameci).
13. Ismail Lleshi.
14. Kico Mustaqi.
15. Mojkom Zeqo.
16. (?Maqe Lakrori).
17. Nexhmije Hoxha.
18. Nasi Lera.
19. Osman Murati.
20. Sofokli Lazri.
21. Sefedin Cela.
22. Themie Thomai.
23. Vangjel Cerrava.

Commission for reviewing the party's statute:
1. Xhelil Gjoni, chairman.
2. Gramoz Ruci, deputy chairman.
3. Abaz Mali.
4. Bilbil Jaupi.
5. Belul Lufo.
6. Dhimiter (?Shano).
7. Faik Cina.
8. Fatmir Xhafa.
9. Halil Lalaj.
10. Hysen Shahu.
11. Ibrahim Baci.
12. Jovan Themeli.
13. (?Lulci) Dautlari.
14. Niko Gjyzari.
15. Pali Miska.
16. Rexhep Gjoci.
17. Vasilaj (?Koreca).
18. Xhemal Dymylja.
19. Zija Cela.

Alia Gives Speech; Discussion Held

AU2612145490 Tirana Domestic Service in Albanian 1430 GMT 26 Dec 90

[Text] The meeting of the Albanian Workers Party [PLA] national aktiv began in the hall of the People's Assembly today under the chairmanship of Comrade Ramiz Alia, first secretary of the party Central Committee.

Comrade Ramiz Alia made an important speech at this aktiv. A constructive discussion and debate was conducted on the problems considered in this speech and on the party's electoral program. The aktiv will approve the PLA's electoral program and the candidates the party will propose for deputies to the People's Assembly. The aktiv will also approve the agenda of the 10th AWP Congress, a commission for drafting the party's program to be submitted to this congress, and a commission to review the AWP's statute.

We will carry Comrade Ramiz Alia's speech to the aktiv in full in our 2000 newscast.

Democratic Party Holds Rally in Kavaje 25 Dec

AU2612142490 Tirana International Service in German 1330 GMT 26 Dec 90

[Text] A gathering was organized by the Democratic Party of Albania in Kavaje on the afternoon of 25 December on the occasion of the foundation of the party's branch in this town.

Speakers at the gathering presented the program of the Democratic Party. It was said that human rights can only be realized within democracy, which can only be achieved through democratic dialogue, especially when the country is faced with economic difficulties. It is necessary to wage a concrete struggle against bureaucracy, a struggle for transformation, which should nevertheless not cause pain. The Democratic Party of Albania, it was said at the gathering, is working on a concrete political, economic, and social program which it will present as an electoral platform. The majority of the people are showing in these historic days for the country that they favor democracy and civilization, and that they are against violence and for national conciliation. The Democratic Party of Albania is for the rule of

law, which must place itself at the service of universal human rights, and is for a variety of forms of property. The gathering took place in a correct atmosphere, and under the regulations which have been laid down for such events.

PDSh Demands Referendum on Election Date

AU2612115290 Paris AFP in English 1137 GMT 26 Dec 90

[Alain Navarro report; place and date not given]

[Text] Tirana, Dec 26 (AFP)—Albania's first opposition party has called for a referendum on the postponement of elections scheduled for February 10 and told the Communists that a rejection of the request would be an "outright provocation". The challenge was thrown down by Democratic Party (ADP) [PDSh] chief Sali Berisha at a first meeting here late on Tuesday [25 December] after a parliamentary leader said that there was no objective reason to justify a postponement.

Sihat Tozaj, secretary of the parliamentary presidium, said that putting the elections back would require a complicated legal procedure. Elections should be held as scheduled so that parliament could meet to adopt a new constitution "as soon as possible", he added. But Mr. Berisha, a 46-year-old cardiologist, told AFP that a refusal to delay the election by three months "would be an obstruction of the democratic process and an outright provocation". "The people must decide on a date", he added.

Due to a power failure Tuesday's meeting of 15 ADP militants took place by candlelight in an unheated centrally located three-storey villa—its headquarters—in an atmosphere reminiscent of a clandestine gathering under a dictatorship. "It is like being underground but we are free now," Mr. Berisha beamed. The Albanian Democratic Party was created on December 12 only hours after President Ramiz Alia gave in to public calls for a multi-party system in so far staunchly Stalinist Albania. No other parties have been founded as yet.

On Tuesday 20,000 people voiced support for the ADP in the eastern town of Kavaje. Party branches have reportedly also been set up in Shkoder, Durres, Elbasan, and Vlore. "Our first priority is to get ourselves organised," said Mr. Berisha adding that "all peaceful means will be used to get the election postponed."

The ADP does not face an easy task. There have been incidents at several public meetings outside the capital when police and Communist party militants have seized ADP leaflets and programs and threatened supporters, according to party aides. "The Albanian bureaucracy is terrible and will go out of its way to attack the Democratic Party", Mr. Berisha said.

The police and the Army have so far not tried to impede the democratization, process according to the ADP leader who said "Many soldiers would prefer the Army to be neutral and non-political."

On Tuesday, the ADP named Fruk Shupi as chief editor of Albania's first independent newspaper Rilindja Demokratika (Democratic Renewal) which was prevented from going to press this week by bureacratic red-tape, Mr. Berisha added.

The government granted a one-million lek (100,000-dollar) loan to the eight-page paper which aims to be independent but close to Democratic Party ideas. It will be published twice a week and is to become a daily at a later date.

Even Communist party members have pledged support. "We are are ready to help", said Briseda Nema, a communist party militant and editor of Drita, the official newspaper of the artists' union.

Before Christmas Mrs. Nema published the first article ever to hit Albanian newsstands criticizing Stalin. "I could not write it earlier because I was afraid", she said, wishing the Democratic Party good luck.

ADP leaders are also confident that political prisoners will ultimately be amnestied despite a statement by Mr. Tozaj that no such step was planned. Still "measures of leniency will be taken from time to time," he was quoted as saying.

The ADP is still Albania's only opposition party, for several other parties rumoured to be emerging like the Green ecology party and Christian and Moslem confessional parties have so far failed to materialise. But despite its pioneer role, some dissident intellectuals are reticent about supporting the ADP because of the Communist past of some of its leaders.

"With some of its officials members of the Communist party until recently, this party lacks legitimacy, and all the leaders are from the north", author Hysen Sinai said. At this moment in the reform process anything was possible in Tirana, he said, adding: "You could even walk the streets with a portrait of Hitler." Under pressure from dissidents the writers' union has already split into four sections with no remaining links to the Communist Party, according to Mr. Sinai.

Some 10,000 Albanian Catholics on Tuesday attended the first open celebration of midnight Christmas mass in their country in 45 years. But a Democratic Party spokesman warned that Christians and Moslems who make up 40 and 60 per cent of the total population must not create separate parties and should instead join the new movement. "Otherwise this will be another Lebanon", he added.

Joint Swiss Bank Founded in Tirana

AU2512202190 Tirana Domestic Service in Albanian 1900 GMT 25 Dec 90

[Text] The relevant documents for the founding of the joint Albanian-Swiss Iliria Bank, based in Tirana, were recently signed between the Albanian State Bank for

Foreign Relations and the Swiss firm Iliria [word indistinct] SA. This is the first such bank in this country. The creation of this joint bank will help to obtain foreign capital for financing the construction of new projects and the renovation of existing plant in different sectors of the economy and other financial and trading operations and services.

A range of projects to be constructed in light industry; the food industry, construction materials and electrical engineering industries; and in the field of tourism, etc. will be financed through this bank. These projects have long been in the planning stage, and work will start on them in 1991 after the conclusion of contracts.

This bank will start its operations in January 1991. At first, the bank will be housed in existing premises which will be supplied with all the necessary up-to-date equipment.

Zhelev Discusses Aid With Japanese Ambassador

AU2612221390 Sofia Domestic Service in Bulgarian 1830 GMT 26 Dec 90

[Text] On 26 December Dr. Zhelyu Zhelev, chairman of the Republic, received Takashi Tajima, Japanese ambassador to Bulgaria, at his request.

According to the president's spokesman, during the talk most attention was devoted to prospects of receiving Japanese governmental aid to Bulgaria. The Japanese ambassador pointed out the importance of the preliminary conditions, about which the president was informed during his visit to Japan. Bulgaria must be included in the group of countries entitled to receiving governmental aid. Those are countries in which the per capita annual income is under $2,800. Bulgaria actually belongs to this category of countries; however, the former totalitarian regime denied this fact.

The chairman of the Republic stated that he will draw the attention of the relevant ministries to make the necessary steps at the Commission on Governmental Aid at the Organization on Economic Development and [word indistinct].

Dr. Zhelev expressed hope that the traditionally good Bulgarian-Japanese relations will enter a new stage of development under the new conditions.

Tomov To Sign Economic Agreements in USSR

AU2612194890 Sofia BTA in English 1842 GMT 26 Dec 90

[Text] Sofia, December 24 (BTA)—At its meeting today the Council of Ministers considered the drafts of an agreement on payments between Bulgaria and the Soviet Union and of an agreement on trade and economic contacts in 1991. Mr. Aleksandur Tomov, deputy chairman of the Council of Ministers, will leave for Moscow tomorrow at the head of a delegation to sign the accords.

A large number of subordinate legislation acts which hinder the transition to a market economy and curb free enterprise are to be rescinded. The Council of Ministers set up an interdepartmental group under Mr. Pencho Penev, minister of justice, to introduce a motion on the repeal of statutory acts by January 11, 1991.

Official Position on Turkey Black Sea Initiative

AU2612195090 Sofia BTA in English 1852 GMT 26 Dec 90

[Text] Sofia, December 26 (BTA)—"In shaping its stand on the Turkish suggestion to create a Black Sea economic zone, Bulgaria has taken into account its national interests. There can be no fears in this respect," Mr. Petur Staykov, first deputy minister of foreign affairs, told the press.

In his view the implementation of the Turkish project would help the economic stabilization of Bulgaria, Romania and the USSR which have found themselves in a grave crisis.

Mr. Staykov said that Bulgaria shows particular interest in the joint transport and power engineering projects and urges for them to be opened to countries other than the four tentative participants in the zone.

Foreign Ministry on Norwegian, Greek Aid

AU2612194790 Sofia BTA in English 1838 GMT 26 Dec 90

[Text] Sofia, December 26 (BTA)—The Ministry of Foreign Affairs told the BTA that the Norwegian Parliament has allocated one million kroner (equivalent to approximately 170,000 U.S. dollars) to Bulgaria as a political gesture and consideration for this country's problems. The decision does not rule out the provision of extra aid to Bulgaria in future.

The amount will be available as from the beginning of 1991 and will be provided through a specialized voluntary Norwegian organization which will probably give an extra 10 to 20 percent itself. The aid will consist mainly of food and medicines.

This aid is not part of the joint decision of the Scandinavian countries to help Bulgaria out of the crisis but comes in response to an appeal made by this country.

The Municipal Council of Salonika resolved to send a shipment of staple goods to the people of the Bulgarian city of Plovdiv. A special Plovdiv Solidarity and Aid Committee has been set up. The Salonika Municipal Council granted a loan of 5 million drachmae for the purchase of various goods, medicines and toys for young Plovdivers.

Bulgarian relief aid raising campaigns have been organized in 40 Greek municipalities which are twinned with Bulgarian cities. Such charitable initiatives are taken in many places around Greece by organizations and private persons.

Reportage on Defense Official's Visit to Greece

WA2612135590

For reportage on the visit by Lieutenant General Radnyu Minchev to Greece, including reports on his talks with Greek National Defense Minister Ioannis Varvitsiotis, please see the Greece section of the 21 December West Europe DAILY REPORT and subsequent issues.

Defense Ministry Leaders View Army Changes

AU2712082690 Sofia BTA in English 0754 GMT 27 Dec 90

[Text] Sofia, December 27 (BTA)—The management of the Ministry of National Defence yesterday met to consider the results of the operational and combat

training and the state of discipline in the Army. They heard a report on the drafting of new field manuals for the Bulgarian People's Army. The drafters tapped the experience of Germany, Italy, Greece, the Soviet Union, Turkey and the Bulgarian Army between 1908 and 1946 and took into consideration their field manuals.

The names, the symbols, the insignia and the rituals in the Army will be revised according to the new manuals.

The Collegium of the Ministry of National Defence discussed the civil defence bill.

The collegium suggested that the Council of Ministers consider the defence bill, the Armed Forces bill and the civil defence bill by the end of March 1991.

Defense Ministry Answers Paper's Criticism

AU2612145990 Sofia NARODNA ARMIYA in Bulgarian 18 Dec 90 pp 1,4

[Letter of Press Center of Ministry of National Defense to Grand National Assembly, chairman of Republic, chairman of Council of Ministers, DEMOKRATSIYA Editorial Board, and NARODNA ARMIYA Editorial Board; "Freedom of Press Requires High Standards"; issued in Sofia on 17 December]

[Text] To the Grand National Assembly,
the chairman of the Republic,
the chairman of the Council of Ministers,
the DEMOKRATSIYA Editorial Board,
the NARODNA ARMIYA Editorial Board.

In connection with the article "Has the Army Been Depoliticized?" by Colonel (retired) G. Georgiev, carried by DEMOKRATSIYA of 14 December 1990, we have been authorized to state that the author interprets certain matters in a deliberate, crude, and biased manner, in an obvious attempt to seek sensations.

Mr. Georgiev's claim that nothing has changed in the leadership of the Ministry of National Defense and the Army does not correspond with the truth.

As is well known, in September the leadership of the Ministry of National Defense and the various military branches was renewed. The following persons are new in their posts: Colonel General I. Mutafchiev, minister of national defense; Colonel General R. Minchev, head of the General Staff; Lieutenant General St. Buchvarov and Lieutenant General M. Yovchev, deputy ministers of national defense; Lieutenant General L. Petrov, deputy head of the General Staff; Lieutenant General A. Angelov, commander of the Ground Troops; Lieutenant General Il. Sinapov, commander of the Air force and Antiaircraft Defense Troops; Vice Admiral D. Pavlov, commander of the Navy; Lieutenant General Khr. Khristov, commander of the "G. S. Rakovski" Military Academy; and Major General Z. Iliev and Major General L. Lyutskanov, commanders of the garrisons in Sofia and Sliven.

The leadership of the Ministry of National Defense categorically rejects the author's crude lie about the interference of Army General Dobri Dzhurov in the work of the ministry and the Army. We decisively state that until now there was not a single case in which he took part in a meeting of the Collegium, in a conference with the commanding staff, or in military training. The Army general has not sought contact with the minister of national defense and has not visited him to give advice or make recommendations to the Army leadership. For Mr. Georgiev's information, Army General Dzhurov left his office at the Ministry of National Defense. Naturally, Army Gen. Dobri Dzhurov, who has not retired and continues his military service as a member of the National Security Council and the Grand National Assembly Commission on National Security, has been privy to military information. The Ministry of National Defense also has provided information to other members of those organs. However, this does not represent interference in the leadership of the Ministry of National Defense, but rather an expression of concern for the Army's problems and for aid in resolving those problems.

Mr. Georgiev's claim about the depoliticization of the Army also is incorrect. The process of depoliticization and deideologization of the Army normally develops in accordance with the new requirements. The application of the Law on Amendments and Addenda to the Law on Political Parties has been presented in a false light. What has been done? Immediately after the adoption of the law by the Grand National Assembly the Collegium of the Ministry of National Defense discussed the procedure and manner of its application in the Army. All activities for the unconditional implementation of the law have been prescribed in detail in a ministerial order, coordinated with the Grand National Assembly Legislating and National Security Commissions. Col. Gen. Mutafchiev, minister of national defense, ordered that the issue be carefully approached and that every officer and sergeant be allowed to independently and freely make their choice. As is known, two percent of the military did not sign declarations and have been fired from the Army by an order of the minister. The leadership of the Ministry of National Defense is not aware of any facts related to manipulating the military (by forcing them to sign the declaration or preventing them from doing this), with a view to relieving inconvenient, promising, and highly qualified officers. On the contrary, talks were conducted with young officers on regular service, who are 50 percent of those who did not sign the declarations. An attempt was made to understand their motives and check the reasons for their decision. The commanders demonstrated attention and care without forcing any decisions that contradict the young officers' willingness and inclination. Naturally, the fact that a certain number of young officers left the Army in the middle of the training year, created difficulties in training the military personnel. The Collegium of the Ministry of National Defense adopted specific measures aimed at overcoming this situation.

Thus, the requirements of the Law on Amendments and Addenda to the Law on Political Parties have been

precisely implemented, something which facilitated the completion of the depoliticization of the Army. All this was accomplished within one month, in an organized and calm manner, with proper order and discipline, and without causing shocks in Army life.

The questions posed by Mr. Georgiev in his proposals in the aforementioned letter were not discovered by him. The issue of allowing the officers who have retired before reaching the age of 60 to work is not related to "revoking the ministerial order," as this gentleman—a "military expert" claims. One does not have to promote himself to the rank of "military expert" to know that this problem is resolved by the law and not by a ministerial order. The laws, Mr. Georgiev, are adopted by the parliament, and not by the minister of national defense. Furthermore, your proposal Mr. Georgiev, comes too late. This acute problem was brought to the attention of the Ministry of National Defense a long time ago. Thus, already in March 1990 a proposal was submitted to the Grand National Assembly to make amendments and addenda to the Law on Pensions. On 17 November 1990 the proposal again was submitted to the Grand National Assembly. We expect that this issue will find its place in the Grand National Assembly agenda when the new Social Security Law, which has been incorporated as a priority item in the plan of the Grand National Assembly's work, is discussed.

Your concern and warning to not allow the assertion of totalitarianism in the draft laws on defense and on the Armed Forces, are totally superfluous. You can be sure, Mr. Georgiev, that also without your "concern," laws will be worked out which will guarantee the process of democratic development in the Army and its further consolidation as a reliable guarantor of our national security. The working out of the draft laws is done by a commission that includes a large number of experts. The draft laws were discussed by the Collegium of the Ministry of National Defense, and were sent for discussion to the various branches of the Army. After noting the proposal that will be submitted, the commission will again submit the draft laws to the Collegium for discussion. Afterward, they will be published in the press, and only then submitted to the Grand National Assembly. The Grand National Assembly itself, which will discuss and adopt them in a competent and profound manner, is a solid guarantee of providing the laws with a democratic spirit.

Thus, your fear, Mr. Georgiev, is superfluous! As you can see, even without your valuable "proposals" the leadership of the Ministry of National Defense works seriously, in a profound manner, and with a sense of responsibility works for bringing military legislation into accord with the modern requirements of military development. New all-Army charters, programs, regulations, and other guiding documents are worked out. A commission on working out new military symbols and rituals was established.

Those who do not know Colonel (retired) Georgiev, could ask who is he? He evidently has been "crushed" by totalitarianism and therefore now he repays the Army and its leadership with such venom and irreconcilability. Really, the former political worker has worked under very "difficult conditions: three years in the Main Political Administration of the Bulgarian People's Army; three years in the Political Department of the Air Alert Main Administration; seven years as an inspector in the Committee for State and People's Control; and two years as a lecturer at the Academy of Social Studies and Public Management at the Central Committee of the Bulgarian Communist Party. Despite his "difficulties," the gentleman has lost no time: he defended his candidate dissertation, utilized his position as a senior and chief inspector at the Committee for State and People's Control and concealed the fact that he was an officer in order to apply for the post of senior scientific fellow at the Institute on Machine Building, signing a fictitious contract in the process. Really, the service of the "military expert" in Sofia in the last 15 years has taken place under really difficult conditions.

The author's attempt to discredit the leadership of the Ministry of National Defense and certain generals and officers is not only dishonest, but also amoral. Such insinuations testify to Mr. Georgiev's low morals, which he repeatedly demonstrated in the past. His striving to gain political dividends from his article is no secret for anyone. It is another pitiful attempt on the part of a carreerist and impostor who with his lies has assigned himself to the "Military Policy" Section at the Center for Forecasts and Analysis in the Presidency. This big lie, Mr. Georgiev, must be revealed! Our inquiry showed that you never were and are not on the payroll of the Center for Forecasts and Analysis. In this context we thank the Center for Forecasts and Analysis in the Presidency for its principled position and dissociation from the article of Colonel (retired) Georgiev.

Press Center of the Ministry of National Defense, 17 December 1990, Sofia.

BSP Supports Cabinet; Tomov Retains Posts

AU2612164490 Sofia Domestic Service in Bulgarian 1600 GMT 26 Dec 90

[Text] On 26 December the last news conference of the Bulgarian Socialist Party [BSP] for 1990 took place. It was a rather short news conference. Dimitur Yonchev said that we find ourselves in a period of relative political calm and that the month of January will be actively utilized for resolving organizational issues.

Filip Bokov pointed out that the BSP supports the new cabinet. However, the party preserves its right to criticize it.

It was announced that it has not been decided yet who will head the BSP parliamentary group, and that until now some 333,000 party members have renewed their registration. This process proceeds more intensively in the small towns and the villages.

It was announced that Mr. Aleksandur Tomov will retain his party functions in the BSP Supreme Council.

According to Mr. Dimitur Yonchev, STURSHEL daily's issue has been resolved in a gentlemanly manner. The newspaper and the BSP will divide the newspaper's property and profits equally.

Progress of BSP Membership Cards Exchange

AU2712000190 Sofia DUMA in Bulgarian
20 Dec 90 p 1

[Dora Chichkova report]

[Text] More than 100,000 Socialists have renewed their membership cards so far. Some 307,000 have confirmed their reregistration on the Bulgarian Socialist Party [BSP]. This is 37 percent of the party membership as of 1 July 1990.

This data, which is by no means final, allows the assumption that the BSP will remain a mass party. Naturally, it will not have its former dimensions because of which it was called a "political dinosaur."

The process of exchanging party membership cards does not have the same pace in the various municipalities and among various socialist strata. As a whole it lags behind schedule. Competent persons point to the complex and dynamic character of the country's changing situation, the party's unsatisfactory cadre and organizational state, and the behavior of the BSP parliamentary group in the Grand National Assembly, as the main causes of the delay.

The present situation also is the result of the idleness of many party municipal and primary organizations. Thus in Sofia's "Krasna Polyana" Municipality, only 80 out of 11,000 dues-paying members have reregistered; At the "Iskur" Municipality—only 50 out of 4,000; At "Mladost" Municipality—786 out of 10,000; and at "Ovcha Kupel" Municipality—only 25 out of 2,000.

A completely different case exists at Suedinenie Municipality, Plovdiv Oblast, where 1,000 out of 1,204 party members already have new membership cards, and Bratya Daskalovi Municipality, Stara Zagora Oblast, where 1,285 out of 1,647 members have received their new membership cards.

Other facts also provide food for thought. Many people have left the party in the major cities and industrial centers. In the small municipalities and villages the reregistration encompassed 70-90 percent of the party members. Party members between the ages of 30 and 40 are among those who hesitate most. The BSP's positions among the health protection workers and at certain higher educational establishments, where the opposition has a strong influence, have been weakened even more. Analysis shows that in addition to significant organizational weaknesses, this situation at the aforementioned places also is caused by concern for the jobs and fear of persecution because of the political convictions.

A precise analysis of the party's social composition and other characteristics could be done only after 1 February 1991, which is the final date for the reregistration process, announced by the BSP Supreme Council.

'Anti-Bulgarian Organization' Activities Reported

AU2612194990 Sofia BTA in English
1905 GMT 26 Dec 90

["Anti-Bulgarian Organization Stages Action"—BTA headline]

[Text] Sofia, December 26 (BTA)—Around noon today in the center of Blagoevgrad a group of supporters of the anti-Bulgarian organization Ilinden started collecting signatures on its request for the registration of the organization which has been turned down by the Supreme Court. The interim administration of the town ruled that the action was unlawful. Despite the warnings, the Ilinden supporters continued their action. Around 4 p.m., having obtained a warrant from the District Prosecutor's Office, the law-enforcement authorities took action to stop the anti-Bulgarian manifestation. Two of the participants in the action, who put up resistance, were taken into police custody and were released after signing warning notices.

The course of action recently taken by Ilinden shows a desire to mount actions provoking the law-enforcement authorities.

The Regional Directorate of Internal Affairs in Blagoevgrad stated that it will keep resorting to all means within the law to prevent manifestations directed against the country's national security and territorial integrity.

No Party Representatives at Student Union Rally

AU2612184590 Sofia DUMA in Bulgarian
19 Dec 90 p 1

[Text] Despite issuing special invitations and holding personal meetings at the Coordinating Council of the Union of Democratic Forces, the Permanent Board of Bulgarian National Agrarian Union, and the Supreme Council of the Bulgarian Socialist Party, not a single representative of the political forces attended the rally of hope held on the evening of 18 December in Bulgaria Square in Sofia. The rally was organized by the Bulgarian Student Union.

Our idea was to make this the first rally at which the political forces stood alongside each other, stated Svetozar Stefanov, chairman of the Bulgarian Student Union. At the rally, students and citizens expressed their support for forming a working government to lead Bulgaria out of the crisis.

The absence of political leaders was attributed to the serious negotiations in progress on forming the government. However, the leaders were greeted with a rendition of Pink Floyd's "The Wall." The Berlin Wall has fallen, so why are we now raising walls around ourselves? asked Svetozar Stefanov in his speech. He hoped that the

leaders would reach agreement on a government which truly reflects the motto "Unity Creates Strength."

Magdalena Dikova of the Movement for Democracy and Social Justice delivered a message of congratulation to the students for organizing the rally.

'Edinstvo' Leader Stalev Discusses Organization

AU2612212990 Sofia VECHERNI NOVINI in Bulgarian 21 Dec 90 p 2

[Interview with Tenyo Stalev, cochairman of "Edinstvo" Trade Union, by Elka Lazarova; place and date not given: "'Edinstvo' Trade Union Starts From Zero" — first paragraph is VECHERNI NOVINI introduction]

[Text] [Lazarova] The reports about the establishment of the new "Edinstvo" (Unity) Trade Union prompted us to seek out the founders to disperse the guesses and interpretations about its essence and goals. We began our conversation with Tenyo Stalev, one of the cochairmen, with the question whether "Edinstvo" really is a "socialist" trade union?

[Stalev] We have never called it a "socialist" trade union, and we will be the last to defend this or that color, i.e., to implement any political activity. If you look in the constituent protocols you will see that the basic mass of members are not affiliated with any party. We have some members who belong to the Green Party, members who are Socialists, members of the Bulgarian Agrarian National Union, and so forth. We believe in a trade union which does not defend parties and political figures, but rather the labor interests of the people.

[Lazarova] Nevertheless, there are already two trade unions, whose goals coincide with yours.

[Stalev] Willingly or unwillingly, they found themselves in the center of the political storm and actually retreated from their immediate protective function. I do not want to assess their actions, but I think that they should have prevented the disorder and avoided the confrontation of people with a "different color of thinking." I firmly believe that now is the moment to seek the ideas that unite us as a society.

[Lazarova] There is much speculation about the number of delegates at your constituent conference.

[Stalev] For months we studied the opinions of dozens of enterprises and hundreds of people from the villages and administrative offices. They insisted on having a trade union that is not connected with the old structures, and begins from zero. It was important for them to have a guarantor who is not interested in the political opinions of their members, but rather concentrates on doing specific things for protecting the right to work. Our delegates were representatives of local initiative committees, supported by the agreement and protocols of the local associations.

[Lazarova] How was the issue of membership settled?

[Stalev] At our Second National Conference we adopted a trade union charter, which explains in detail the conditions of individual and collective membership. (Questions can be answered by telephoning 88-49-25). We implement our trade union activity in accordance with the Constitution and the country's labor legislation. We have specific ideas about help, such as the full support of talented children, rest, guarantees for ecologically pure production, and so forth.

[Lazarova] Are you optimistic about the trade union's future?

[Stalev] Yes, I am. Despite the brief period of our existence, according to the constituent protocols we are supported by about 100,000 people. New applications arrive daily. A few days ago we received protocols from 25 enterprises in Pleven. Dozens of Sliven collectives call us. Members of branch trade unions demand to be admitted. I think that people are tired of the chaos and excessive politization. They want to work under a stable order, and we will help them as best we can. REF: au2012210590 sofia bta english 201958—leaders of new

'edinstvo' tu group give news conference

Agricultural, Forestry TU's Against 'Edinstvo'

AU2512183990 Sofia DUMA in Bulgarian 18 Dec 90 p 2

[Ekaterina Popova report]

[Text] The leadership of the Federation of Independent Trade Unions in Agriculture has no links with the "Edinstvo" People's Trade Union, has no intention of joining it, and has no information that any individual organizations in the federation have done so. This is the position of the federation in relation to the statements made by leaders of "Edinstvo" concerning the conduct of negotiations and preparations for the federation to "realign itself."

Lyuben Kharalampiev, chairman of the federation, made this statement to journalists on 17 December, and his position was shared by Nikolay Abadzhiev, chairman of the Federation of Trade Union Organizations of the Forestry and Woodworking Industries, which is disseminating the same information. The two trade union leaders refused to recognize their colleagues in the new trade union and denied having seen any documents whatsoever concerning the new organization.

The chairmen of the two federations stated that their organizations have never declared orally or in writing that they were leaving the Confederation of Independent Trade Unions in Bulgaria [KNSB]. This fact confounds both the claims of "Edinstvo" and the attempts of the

KNSB Executive Committee to attribute to them some "change in tactics" and intentions "to break up the confederation from within."

They consider that the accusations concerning coordinated actions against the present KNSB leadership are without foundation. Independently of one another, the two federations uphold their demand for an extraordinary congress. According to them, this is the desire of their rank-and-file members—705,690 in the agricultural trade unions, and about 120,000 in the forestry trade unions. Chairmen Kharalampiev and Abadzhiev will also defend this position at the session of the KNSB Coordinating Council scheduled for 22 December.

The leadership of the Federation of Independent Trade Unions in Agriculture holds the view that the congress should make changes in the membership of the KNSB Executive Committee, that the policy of politicization of the trade unions should be abandoned, and that the unions should concentrate their future activity purely on trade union problems.

Interior Ministry Reports Changes, Reductions

AU2612125090

[Editorial Report] Prague MLADA FRONTA DNES in Czech, Prague LIDOVE NOVINY in Czech, and Bratislava NARODNA OBRODA in Slovak on 19 December publish 250 to 500-word correspondents' reports on a news conference given by Federal Interior Ministry officials in Prague on 18 December.

Prague MLADA FRONTA DNES on 19 December on page 1 carries a 500-word "(rd, tma)" -signed report entitled "Vaclav Havel Was Tomis." The report quotes a reply given by Jan Ruml, first deputy minister of interior, to a MLADA FRONTA DNES question regarding the outcome of the screening of President Vaclav Havel. Ruml is quoted as having said: "The screening of the president's chancellery and of his advisers was carried out shortly after the parliamentary elections and the president himself, too, was subjected to screening. I am able to tell you that the counterintelligence had dealt with him. Everyone, even those who were under observation as persons dangerous to the state, was referred to by his code name in the files. The president's code name was Tomis."

The MLADA FRONTA DNES report also mentions that "according to Deputy Interior Minister Arnost Kohut, the Office for the Protection of the Constitution and Democracy will be dissolved in a few days and the Federal Information Service will be established by a subsequent order of the minister. Its staff should be reduced by about 1,500 people, which means that it should employ around 1,000 people. This should put an end to the power disputes which have surrounded the office since its founding this February."

Prague LIDOVE NOVINY in Czech on 19 December on page 3 carries a 350-word "(oc)" -signed report on the news conference entitled "A Refugee Wave?" The report contains, among other things, a passage on the new structure of the Federal Ministry of Interior. This passage reads: "Following the separation of the Office for the Protection of the Constitution and Democracy from the Federal Ministry of Interior, the following will remain within the ministry's jurisdiction—the Federal Police, the Border Guards and Border Protection Administration, the Passport Service, Aliens' Registration, Interior Ministry Troops, refugee affairs, the National Security Corps Aviation Administration, and the Rapid Deployment Unit." Responsibility for these spheres of activity is reportedly divided between Jan Ruml, first deputy federal interior minister; Petruska Sustrova, deputy federal interior minister; and Major Arnost Kohut, deputy federal interior minister.

Bratislava NARODNA OBRODA in Slovak on 19 December on page 2 carries a 250-word B. Janik report on the above news conference. Dealing with the planned reduction of the staff of the future Federal Information Service, Janik mentions that the cuts will affect mainly the so-called "observation service", whose staff will be reduced from 800 to 40.

Calfa Reviews Past, Characterizes Coming Year

AU2712000690

[Editorial Report] Bratislava NARODNA OBRODA in Slovak on 20 December, page 3, carries a 1,000-word article by CSFR Prime Minister Marian Calfa entitled "Good Times Only for Our Children...?" In his article, Calfa reviews the events of last year and characterizes Czechoslovakia's prospects for next year, which—as he stresses—"will be merciless" because it will bring unemployment, bankruptcies, price rises, and inflation.

Referring to the "mistakes" made by the government last year, Calfa says that discussions in the government on the economic reform should have been "more vigorous." He believes that this would have made it possible to launch the small privatization process earlier.

The second mistake, in his opinion, was the approval of the two-year election term (for parliaments and the president) because two years is "too short a time" and because "after two years the country will be in the worst situation." He fears that this will enhance the chances of populists and advocates of "a regime of the iron hand."

The third mistake, finally, was "to link economic reform with the question of power-sharing." Calfa believes that "we should not have pondered whether something will be within the jurisdiction of the federation or the republics, but whether it needs to be controlled by the state in the first place."

In view of the extensive coverage of Calfa's 21 December news conference (see referent item), which dealt with the same issues (the prime minister's assessment of the year 1990 and of the prospects for 1991), bureau does not plan any further processing of the NARODNA OBRODA article.

Sacher Confirms Writing Letters to CPCZ

AU2612193890

[Editorial Report] Prague LIDOVA DEMOKRACIE in Czech on 20 December, pages 1 and 3, carries a 700-word interview with Richard Sacher, former CSFR minister of interior (until July 1990) and now a deputy to the Federal Assembly for the Czechoslovak People's Party (CSL), by Helena Bastlova. The interview, the place and date of which are not given, is published under the headline "Did R. Sacher Write to the Communist Party of Czechoslovakia [CPCZ] Central Committee?" In the interview, Sacher is asked to respond to the publication of a letter from him to the Communist Party of Czechoslovakia Central Committee which was reproduced by the "Civic Forum weekly, FORUM, last week." No details on the content of this letter are provided.

Sacher confirms that he wrote the letter published by FORUM in 1988. He says that his aim was "to challenge the then CSL leadership in the eyes of the political power center since this was one of the ways of removing this leadership." He hoped that, once the old CSL leadership was removed, the CSL would "become a Christian party and would start behaving like a true political party." Sacher claims that, to be able to carry out changes in the CSL, first he had to "win the confidence of communists." This is also why his letters could not be anonymous. Sacher describes the publication of his letter now, in a completely different context, as a "deliberate discreditation."

In a post scriptum, LIDOVA DEMOKRACIE wonders how the weekly FORUM obtained a copy of the letter, asking whether there exists an agreement between the CPCZ and the Civic Forum on use of material from the CPCZ archives.

Mueller Views Position, Intelligence Service

AU2612192490 Prague LIDOVE NOVINY in Czech 20 Dec 90 p 8

[Interview with Jiri Mueller, Czech National Council deputy and former director of the Office for the Protection of the Constitution and Democracy, by Drahuse Probostova and Alexandr Kramer; place and date not given: "Power Cumulation Prevails?"]

[Excerpts] [passage omitted] [LIDOVE NOVINY] Some newspaper articles claimed that you were recalled because of your insistence that the Office [for the Protection of the Constitution] be supervised by the parliament. Minister Langos claims, however, that he, too, is and always has been for the parliamentary supervision.

[Mueller] The newspaper articles obfuscated the issue. The controversy is not in whether the Office would be subordinated to the parliament but what will the parliament actually control. According to the concept now submitted by the Federal Ministry of the Interior as a draft law, the number of staff in the Office, or rather in the Federal Service, is to be drastically reduced. The staff released here will, therefore, be transferred to the ministry of the so-called federal police. The units whose misuse is feared most by the public—i.e., among others, the entire shadowing service and intelligence technology—are to be transferred. The main issue in our proposal was that the parliament control everything that could be abused and must therefore be controlled. [passage omitted in which Mueller denies ever having any personal conflicts with Langos]

[LIDOVE NOVINY] Was there any friction regarding the work? Were there other differences of opinion between the two of you beside the ones already mentioned?

[Mueller] I had and have exceptions to some of the minister's ideas regarding the method of the intelligence work. Minister Langos believes, for instance, that the Federal Service should be composed of a center, in which the main task would be to analyze the press, and of a small intelligence task force. This means that they would only work on assignments but would not have a permanent orientation. This concept contradicts working methods of any existing intelligence service. [passage omitted]

[LIDOVE NOVINY] The public is disturbed by the information that under your management many agents of the former State Security worked in the Office for the Protection of the Constitution and Democracy.

[Mueller] Certainly, if this institution were completely "clean," everyone would welcome it. It was, however, a political decision made already some time in February that former State Security [StB] agents work there. At that time, a decision was made regarding the screening and that everybody who passes the vetting may stay with the Office. Employment of all the former StB agents who still work at the Office was signed by Minister Langos. Still in September, when former Minister Sacher appeared with the demand that all former State Security agents "go patrolling the streets," Minister Langos rejected this idea claiming that it would paralyze the operation of the Office for two years, and the parliament was also against it. It is remarkable that those who criticize us for employing the former State Security agents also attack us for being amateurs. New people must be trained. Let me make two more comments on the former State Security agents: First, although they were screened, we made every effort to prevent them from working in a post with powers of decision and at places where information are gathered and analyzed. Second, even according to the new concept, these people are not supposed to leave, rather reinforce the ranks of the Federal Police.

[LIDOVE NOVINY] Last question: Do you feel wronged?

[Mueller] Similarly to many of my colleagues, I feel a great disappointment that our five-month work came to nothing. From the institution which, at the time of my assuming the post, was in a state of chaos we managed to build a service, the work of which began to bring results. It is not an accident that the controversy around the Office rose at the very moment when a decision had to be made regarding the control of these results. In other words, who will have his finger on the trigger of information obtained by the Office and who will decide on who can obtain this information and who cannot.

Finance Minister Klaus Details 1991 Budget

AU2712094890 Prague HOSPODARSKE NOVINY in Czech 21 Dec 90 pp 1, 16

["(ha, jop)" -signed report: "Tiny Room for Maneuvering"]

[Excerpt] The main item on the agenda of the 10th joint meeting of Federal Assembly chambers was the draft of the state budget and financial policy for 1991.

Federal Minister of Finance Vaclav Klaus first sketched the anticipated economic results for 1990. National

income will decline by between 3.0 and 3.5 percent, inflation in the sphere of retail prices will reach 10 percent, and the number of unemployed at the end of the year can be estimated at 60,000. There will be no significant deterioration of our foreign debt.

The government's economic policy in 1991 will focus on the market-oriented transformation of the economy, stabilization, curbing inflation, and building a protective social network. National income should not decline by more than 5 percent. The rate of inflation will accelerate and is expected to reach up to 30 percent. The growth of unemployment should not exceed five to seven percent of the work force. It will not be possible to avoid an increase in our foreign debt, which will go up by between 2.5 and 3 billion korunas [currency as published; previous statements by Finance Minister Klaus predicted an increase by up to 3 billion dollars]. In terms of its proportion of national income, the 1991 budget will play a smaller role than it did in the past, which is in accordance with the aim to reduce redistribution processes.

V. Klaus paid great attention to social policy and to its reflection in the state budget. The aggregate revenues of state and local budgets will go up by 6.7 percent compared with 1990 and should amount to 472 billion korunas. Expenditures should increase at a slower pace, by 6.2 percent. The 8 billion korunas budget surplus (of which the federation accounts for 6.2 billion, the Czech Republic for 1.1 billion, and the Slovak Republic for 0.7 billion) accounts for less than two percent of the total volume of budget expenditures, which means that the aim of a restrictive budget policy—a three percent budget surplus—will not be achieved. Owing to disputes about the division of powers, work on streamlining budget expenditures in individual spheres has been pushed somewhat into the background. Proceeds from the sales tax, which will total 154 billion korunas, account for one-third of all budget revenues. The negative sales tax, which as recently as 1989 amounted to 50 billion korunas, has been eliminated. The general cut of the profit tax from 65 to 55 percent will reduce revenues from economic organizations. Of great significance is the abolition of mandatory enterprise funds, with the exception of the contingency reserve fund. This endows enterprises with far greater powers [to dispose of their profits]. Levies on the volume of wages are planned at roughly the same level as this year.

Transfer payments to the population account for 57.2 percent of budget expenditures. Expenditures on defense, security, state administration, and other purposes will drop by 2.5 percent. Certain subsidies have been retained in the budget; they will be allocated to railroad infrastructure, forestry, water conservation, etc. Ecology is provided for in the budgets of the republics to the tune of 2.5 billion korunas. Noninvestment subsidies have been radically reduced. Subsidies for ore mining, housing rents, and passenger transportation (city mass transit and CSAD [Czechoslovak National Bus Transport] transportation) have been retained as exceptions. The prices charged will not cover costs. Expenditures on social services and activities for public benefit are to increase by one-quarter. Social insurance payments will increase by 4.7 percent, expenditures on education by 21.4 percent, and health care expenditures by 12.7 percent. A fundamental change applies to the financing of housing construction, for which 14 billion korunas have been appropriated (reduction of expenditures by 13 billion korunas). Contributions to cooperative and individual housing construction have been significantly reduced in connection with planned changes to the whole system.

The minister of finance noted that this situation will generate great problems, pressures, discontent, and feelings of being wronged. Unfortunately, the budget does not avail itself of any additional revenues, he added. The scope for the Federal Government's active policy is limited by the tiny sum of 6.9 billion korunas. This sum is made up of a 3 billion contingency reserve for structural purposes, a 3.4 billion contingency reserve for extraordinary expenditures which is not purpose-bound, and a 0.5 billion contingency budget reserve. This raises the question of whether it will be possible to carry out macro-regulating financial policy to a sufficient extent and safeguard the uniformity and flexibility of financial policy. This situation assigns additional importance to the coordinating function of the Financial Council, which is composed of representatives of all three ministries of finance, the Czechoslovak State Bank, and the ministries for the administration and privatization of national property. [passage omitted]

Assembly Discusses Budget, National Distribution

AU2612180290 Prague HOSPODARSKE NOVINY in Czech 19 Dec 90 pp 1,4

["(jop)"-signed report: "Federal Assembly Economic Committees on State Budget; Nothing in One Pocket and a Hole in the Other One"]

[Text] A session of the Planning and Budget and the Economic Committees became an overture to the joint session of the Federal Assembly Chambers dealing with the federation's state budget for 1991. Ivan Kocarnik, first deputy federal minister of finance, was overwhelmed with questions raised by the deputies both in general and to the individual items regarding amounts and justification.

He described as the basic point of departure for the 1991 budget a valuation of the goals with respect to the economic growth, employment, inflation, and foreign debt. Both Czechoslovak specialists and experts from the IMF took part in the budget work. An economic growth

slowdown (five percent) is expected and the inflation rate should not exceed 30 percent in 1991. Had we not reduced the full impact of the external influence on Czechoslovak economy (Persian Gulf crisis, CEMA dissolution, etc.), it would have reached 60 percent already. The calculated unemployment rate of five to six percent (i.e., 300 to 400 thousand unemployed) will not become reality on 1 January but will be reached during the year and the impact of it will be restrained by the social network.

The principal goals of the federation as well as the republic budgets are: antiinflationary processes, pressure to transform and reduce the redistribution, and formation of a social safety net. Transferred payments for the public compared to 1990 show the growth from 47 to 57 percent of the total expenditures. On the other hand, subsidies to enterprises are lowered from 18 to 11.5 percent, investments from 9.5 to 7.8 percent, defense, security, and state administration costs from 25 to 22.7 percent. Regarding the federal budget alone, the compensation allowance comes to 27 billion korunas (140 korunas per person), 7.5 billion korunas represent a (partial) compensation for the increased price of fuel, energy, and heat, 10 billion are assigned for retraining and unemployment allowance, and 11 billion for pension indexation. The difference between revenues (108.5 billion) and expenditures (102.3 billion) is a surplus of 6.2 billion korunas. I. Kocarnik described the preparation of the budgets as dramatic because of attempts at an application of the territorial principle, which soon brought the work on the budgets to a deadlock and duplicities appeared in the proposals. The sum of budget expenditure demands had a deficit of 28 billion, therefore, drastic extractions followed and the expenditures as well as the projected surpluses were reduced. Thus the so-called social reserve of the Federal Assembly item disappeared from the federal budget as well as the reserve for ecologic measures at the federation level. The absolute minimum needed for the operation of the federation is 63 to 65 billion korunas, and it would eliminate any aspirations at influencing the economy.

Deputy Milos Zeman proposed to reduce the defense budget chapter by 1.5 billion korunas and use the saved expenditures to reduce the Czechoslovak State Bank levies for ecologic and similar investments. His suggestion that 300 million of the savings be used for the development of science and technology, which he later specified as a subsidy to information science, caused the greatest debate. Deputy Rudolf Zukal also attacked the state defense expenditures and criticized Slovak Prime Minister V. Meciar for disinformation regarding the "missing" billions in the budget of the Slovak Republic. Deputy Vaclav Tomis came down on the redistribution formula 1.91:1 and quoted the statement made by Slovaks that they can support themselves. I. Kocarnik added the explanation that this ratio is a result of an agreement by government prime ministers and that one cannot switch immediately from the ratio 1.84:1 to 1:2, which would correspond to the ration of population in the two republics. In response to the numerous questions regarding the purpose and powers of the federal ministries, he said that the competence bill delimiting the jurisdiction and even the number of the federal ministries will soon be submitted to the deputies for discussion. Deputy Jozef Sedovic caused some agitation by a claim that the competence budget proposals are not acceptable to the Slovaks, while other Slovak deputies refuted this and asked J. Sedovic not to speak for all Slovaks. Deputy Karel Jezek read information supplied by the Ministry of Control which, according to him, implied that the funds redistributed from the Czech Republic to the Slovak Republic will be used in Slovakia to increase the spending on education and health care. That, according to him, is not fair because he does not believe the Slovak education to be more neglected than the Czech one is. This issue was also explained by I. Kocarnik. One cannot dictate to the republics from the federation level how much of their budget will go to education etc.

The Office of the President of the Republic chapter was discussed in the presence of the Chancellor K. Schwarzenberk in the Constitutional and Legal Affairs Committees. The original request by the Castle of 350 million for 1991 was reduced by the Federal Ministry of Finance to 217 million. The Constitutional and Legal Affairs Committee deputies eventually agreed to an increase of 98 million with the proviso that this sum will be assigned to the restoration of the Castle as a cultural monument No. 1. Deputy Vaclav Benda said that the money must not go to the operation of further 150 advisers.

Study Analyzes Economic Development Trends

AU2712082490 Prague RUDE PRAVO in Czech 20 Dec 90 p 5

[Michal Strida report: "Bleak Prospects; Conclusions from a Macroeconomic Analysis of the Year"]

[Text] Prague (from our correspondent)— The trade balance of payments for the first three quarters of this year is negative to the tune of 16 billion korunas, of which trade with the former socialist states accounts for 11 billion although only a year ago we had a large surplus in trade with these countries.

Gross national income dropped 2.6 percent this year and gross agricultural output dropped 3.5 percent. The eight percent drop in the volume of investments projected by the center for 1990, which represents a cut in investments by 15 billion korunas, did not materialize. Quite the contrary, the aggregate investment volume increased two percent because enterprises are desperately trying to invest funds as long as this is still possible.

This follows from the macroeconomic analysis worked out by a team of the Economic Institute of the Czechoslovak Academy of Sciences under the guidance of Engineer Jan Klacek, candidate of sciences, director of the institute. It is already the second analysis of this

team. In the first analysis the institute's researchers proposed a substantial increase in the rate of interest on credits. This proposal, however, did not meet with a favorable reaction in trade union circles.

Enterprises—economic subjects—behave in the same way as consumers. In view of the [expected further] devaluation of the koruna and other possible measures, Czechoslovak imports from countries with freely convertible currencies are increasing at a fast pace while our exports to these countries stagnate. At the same time, inventories have reached a record level.

The discussion at Wednesday's [19 December] news conference also concerned unemployment. The data made public by researchers of the Czechoslovak Academy of Sciences Economic Institute come close to those arrived at by the World Bank in the study which it produced for the CSFR. According to the optimistic scenario, the number of unemployed will reach 556,000 in 1991, 639,000 in 1992, and 724,000 in 1993. According to the pessimistic scenario, the number of unemployed will reach 793,000 in 1991, 1,198,000 in 1992, and 1,046,000 in 1993.

Researchers of the Czechoslovak Academy of Sciences Economic Institute recommend that several alternative scenarios for transition toward a market economy be worked out, including a critical scenario providing for methods that are customary for war economy.

[Prague HOSPODARSKE NOVINY in Czech on 20 December, page 2, carries a 250-word "(az)" -signed report on the above news conference entitled "Decline Is Accelerating." It includes the following passage: "Jan Klacek, head of the research team, told journalists that households react to the deteriorating external economic conditions with record purchases of goods while enterprises react with a massive accumulation of inventories. The level of inventories has increased by 35 billion korunas compared with their level last year, which exceeds the increase in gross domestic product. He also drew attention to the ineffectiveness of the devaluation of the koruna because imports are growing at an annual rate of nine to 10 percent while exports are stagnating or falling. The conditions for the start of the reform are also jeopardized by the unstable inputs from the East, which concerns not only crude oil but also manganese, cotton, etc., for imports of which we depend on the East by up to 80 percent."]

Nationwide Pensions To Be Indexed

AU2712082290 Bratislava NARODNA OBRODA in Slovak 19 Dec 90 p 2

[CTK report: "From the Council of Economic and Social Accord; Man in the Social Sphere"]

[Text] Prague—Indexation of pensions, regulatory levies in the area of wages, and security for workers terminating their employment were the main topics at yesterday's session of the Council of Economic and Social Accord.

Minister Petr Miller submitted a draft law to the Council on changes in the social security regulations and a draft government decree on raising pensions. The first proposal is aimed at increasing sickness benefits by raising the calculating base from 150 korunas daily to 180 korunas. The second proposal's goal is a pension indexation and an increase of the minimum pension to 1,440 korunas [per month] for an individual and 2,400 korunas for a married couple.

The proposed regulatory levies in the area of wages were a reason for an extensive discussion. Minister P. Miller explained the proposal by the need to face the danger of inflation. These levies are to be imposed on all entrepreneurial subjects with the exception of those employing less than 25 or, in another version, 10 workers.

The minister of labor and social affairs also submitted a proposal for termination pay to be paid by the employer in the case of organizational changes in the enterprise (eg., elimination of jobs) to the employee because the employer terminates the employment of his own will. A consensus was also reached on this issue.

Dienstbier Comments on Changes Within OF

AU2612193490 Prague MLADA FRONTA DNES in Czech 20 Dec 90 p 2

[Interview with Jiri Dienstbier, federal deputy prime minister and foreign minister, by Karel Hvizdala; place and date not given]

[Text] [Hvizdala] Why have you joined the Civic Forum [OF] Liberal Club, and what is the purpose of its establishment?

[Dienstbier] I think it is important for the political scene to become more diverse; however, it is also important for this process to take place calmly, peacefully, and without confrontations. A Club of the Democratic Right has been established in parliament, now the Liberal Club has been established, and it is rumored that a left-wing club will be founded. I see a natural development in all of this. On the other hand, I think we have to maintain all these clubs and parties within OF because we have not yet fulfilled the aim we set ourselves of asserting fundamental economic reform and of establishing the foundations of a democratic system in Czechoslovakia.

[Hvizdala] People perceive the establishment of this club more as an attack on economic reform and Tuesday's [18 December] Studio Dialog merely confirms this....

[Dienstbier] I did not see this television program; however, I still do not see any attack from anywhere against economic reform. I think people should know the truth:

During the first phase, it will not be easy for anyone and this reform will have serious social consequences. It is the only way for us to begin climbing upwards again in two or three years.

[Hvizdala] Are you convinced that this radical reform—as approved by the government and parliament—is the only way to get out of this marasmus?

[Dienstbier] I am not an economist, but I know that the majority of economists agree on this and as a non-expert I have to accept what the experts have accepted. Then, there is one other matter: This reform can be asserted either by democratic means or by non-democratic means. I am afraid of the latter method.

[Hvizdala] Could you be more specific about this? Do you dislike the attempt to transform the OF into a more right-wing inclined party?

[Dienstbier] I am bothered, for instance, by the attempt to establish a vertical institution within the framework of OF, because this structure may be very dangerous. In Olomouc I met with people who were told that if they do not accept individual membership, then can go wherever they want. Who, then, will decide who is still in OF and who is not? Some kind of local apparatus? We know what this is, and we no longer want it.

Civic Forum Liberal Club Elects Spokesmen

AU2612160690 Prague LIDOVE NOVINY in Czech 20 Dec 90 p 2

["(EM)"-signed report: "Support From Parliament"]

[Excerpt] [passage omitted] A social democratic group of Civic Forum [OF] Federal Assembly deputies—represented by R. Battek, A. Cerny, S. Gurtler, T. Hradilek, and J. Konecny—supports the demand to develop and strengthen the OF's structure. These deputies think, however, that a wide ranging ideological spectrum is not a weakness or cause for an internal crisis within OF. They are of the opinion that fundamental political decisions within OF should be made in a democratic manner in one place with the participation of representatives from the whole movement. They identify themselves with the statement made by the OF Liberal Club. They regard the attempt to take a fundamentally different course of action to be ill-considered and dangerous.

The OF Liberal Club held a meeting in the Czech National Council yesterday and elected its spokesmen: Dagmar Buresova, Pavel Rychetsky, and Jiri Dienstbier.

TV Incident Reflects Civic Forum Power Struggle

AU2612095990

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 20 December on page 2 publishes two items devoted to the 18 December "Studio Dialogue" program on Czechoslovak Television and the "suspicious circumstances" surrounding the program. As MLADA FRONTA DNES observes, the program "stirred up commotion among the public" by the "sharp attack" which Civic Forum (OF) Parliamentary Deputies Valtr Komarek and Milos Zeman, as well as Czech Minister Gregr, launched there on the reform concept approved by the government and parliament as well as by the absence of Finance Minister Vaclav Klaus who "refused to take part in the program."

On 20 December on page 2 MLADA FRONTA DNES publishes interviews, totaling 500 words, with Vaclav Klaus and M. Adamek, the "Studio Dialogue" moderator. Klaus says that, originally, he had agreed with Czechoslovak Television to use the 18 December "Studio Dialogue" program to familiarize Czechoslovak enterprises with the "economic conditions of the year 1991." His partners in the program were to be experts on price, tax, and banking issues as well as the director of the Tatra Koprivnice truck factory. When he arrived in the studio, however, "completely different people were waiting there to my astonishment." Klaus says that he does not know who changed the participants in the debate. He believes, however, that "his intentions were not good or friendly." He adds that he refused to participate in the program "because I was interested in a positive explanation and what awaited me there was unacceptable to be."

M. Adamek admits that the originally contemplated composition of panelists was different and that Klaus had not been informed about the changes in advance. Adamek says that his decision to invite Messrs Komarek, Gregr, and Zeman in addition to the originally invited guests was motivated by the expertise of the three men. The other selected panelists then canceled their participation, either because of other duties or because they considered the other participants sufficiently competent to address the issues under debate. According to the moderator, when Vaclav Klaus found out who the other panelists were "he, together with Czech Minister Dyba, refused to enter the studio."

On the same day, on page 2, Prague MLADA FRONTA DNES carries a 700-word Jiri Lischtina commentary entitled "Shooting from the Hip." The commentary views the 18 December incident in Czechoslovak Television as an expression of the "political struggle which has flared up on OF soil." Leschtina believes that it is "no coincidence" that the "new polemics about the very gist of the reform that had been approved by the government and the parliament" coincides with the founding of the OF Liberal Club. He agrees with commentator Jan Dobrovsky, who wrote in the 19 December issue of LIDOVE NOVINY that "a dangerous struggle seems to be breaking out in the OF, in which labels of 'left-wingers' and 'right-wingers' fired from the hip will be the heaviest calibers."

Leschtina qualifies the "general attack on Vaclav Klaus" by his internal OF critics as unfair because the economic

reform is not the work of Vaclav Klaus alone (but also the work of Ministers Hoffmann, Dlouhy, Dyba, Jezek, and Barcak and of State Bank Chairman Tosovsky) and because the people who now criticize the economic reform concept do not present any real alternative. He warns against a "suicidal battle" between the two OF currents, which is "a more lethal threat to the government's reform program than even the most insidious inflation."

Klaus Responds to Critics of Economic Reform

AU2612193090 Prague MLADA FRONTA DNES in Czech 20 Dec 90 p 2

[Interview with Vaclav Klaus, federal finance minister and Civic Forum chairman, by Karel Hvizdala; place and date not given]

[Text] [Hvizdala] When the Civic Forum [OF] Liberal Club was founded it seemed that its representatives—as we wrote in Monday's [17 December] commentary—have a different view of economic reform. Then, Defense Minister Lubos Dobrovsky said in Tuesday's MLADA FRONTA DNES that the Liberal Club, on the contrary, supports your reform; however, on Tuesday we witnessed [on the Studio Dialog television program] an absolutely militant attack on your reform. What is your opinion of this?

[Klaus] There are precious few alternatives to our reform. Furthermore, room for maneuver in this reform process is so incredibly limited, which means that everyone who makes cheap attacks has already long quit this process. We have no alternatives—either in the depth or in the pace of reform—and these attacks are really irresponsible.

[Hvizdala] What do you say to the fact that some of those who today speak out so strongly against your reform approved it in both the government and parliament?

[Klaus] I think this is a violation of political ethics and those who today do this know: a) what we approved and; b) what the possibilities are for genuinely improving the economic situation in the short term. It seems to me that something is not quite right here.

[Hvizdala] What do you think about the establishment of the OF Liberal Club?

[Klaus] This club defined itself extremely vaguely in its founding statement; therefore, considerations about whether it supports or does not support economic reform can in no way be made from it. It even contained a concept on whether the market economy is our aim or the means to an end; this concept is incredibly misleading because it amounts to an accusation made by someone who thinks that the market economy is the means to an end. This has probably never occurred to anyone even in his wildest dreams. Our aim is to create an economic system or mechanism that would help to fulfill the aims and interests of individual economic entities. The market economy is the only system known which makes it possible for everyone's aims to be realized. The OF Council held a session the day before yesterday. In its resolution it states, among other things, that "it would be a very unhappy situation if the OF were to polarize before the January session. It, therefore, does not consider it suitable to disseminate petitions in support of various idea streams."

Klaus Intervenes in Czech Parliament Session

AU2612112890 Prague RUDE PRAVO in Czech 19 Dec 90 pp 1, 2

[Petr Vana report: "Minister Klaus Intervenes in Czech National Council Proceedings"]

[Text] Prague (From our own reporter)—Minister V. Klaus' intervention in the Czech parliament's proceedings—the 12th session continued on Tuesday [18 December]—aroused embarrassing amazement among Czech National Council [CNR] deputies. V. Klaus "recommended" by telephone that the draft Czech law on prices—which was under discussion at that very moment—be withdrawn from the agenda. No one from outside has ever, to date, intervened so blatantly in the CNR's agenda.

A federal minister does not have the legal right to take such a step. Therefore, he chose the following method: He telephoned Prime Minister P. Pithart. When Deputy F. Homola (Movement for Self-Governing Democracy) was presenting the committees joint report on the prices law, Prime Minister Pithart came onto the platform and conveyed the "recommendation." Despite the deputies' prevailing opinion that they should not dance to someone else's tune, the draft law was removed from the agenda and will be discussed later.

On behalf of all journalists, a CTK reporter asked V. Klaus directly for an explanation. However, he was merely told that "a fuss is being made about nothing and there is no need to dramatize it." Minister Klaus refused to give a more specific response to the controversy because—as he said—he has urgent work to do.

On the same day, the CNR elected 44 new professional judges. During their nomination, Justice Minister L. Richter stated that a total of 300 judges are still required in the Czech Republic. However, as a result of rehabilitation, even a full quota would not satisfy demands. More than 96,000 citizens had been rehabilitated by 1 December; most of these had been rehabilitated judicially.

The so-called small jurisdiction law—substantiated by Czech Deputy Prime Minister A. Baudys—was no less an important point on the agenda. It follows up on the division of jurisdiction in the federation. The government proposed that the Ministry of Engineering and the Electrotechnical Industry and the Ministry of Construction and the Building Industry be abolished. On the

other hand, it proposed that the vital status of the Ministry for Economic Policy and Development be increased.

During the comprehensive debate on the important jurisdiction changes, L. Krcma (Movement for Self-Governing Democracy) was applauded when he expressed his opinion against abolishing the construction department. He referred to the possible chaos during the transition to European norms. He did not cast any doubts on the government's good intentions in reducing the number of ministries, but he described this step as premature.

Following a dramatic discussion on the amendments, CNR deputies approved the small jurisdiction law by 89 votes; 20 were against and 38 abstained.

The CNR should discuss the law on employment on Wednesday [19 December].

Meeting Continues 20 Dec

AU2612181890 Prague RUDE PRAVO in Czech 20 Dec 90, pp 1,2

[Petr Vana report: "Debate on the Constitutional Court Will Be Held in January"]

[Text] Prague (From our reporter) — The third day of the 12th meeting of the Czech National Council began with another change to its agenda. The debate on the president's draft laws on the constitutional court and the referendum has been postponed until January. A probable reason is the differing opinions on their concept. Wednesday's [19 December] debate focused on passing other laws, the law on employment in particular.

It follows from the speech delivered by M. Horalek, Czech Republic minister of labor and social affairs, that the law creates the prerequisites for the functioning of the nascent labor market. The ministry has to implement the state policy—a network of labor offices in all districts. Their main task will be to help find employment for unemployed people. It is also anticipated that jobs will be created by organizing publicly beneficial works. The staffs of counselors should be established at the labor offices and, in the future, administrative boards with the participation of employers and trade unions will be established.

M. Horalek said that labor offices have already found jobs for 30,000 people, yet the same number of unemployed people are still registered, and 21,000 of them are collecting unemployment benefits.

The government anticipates that the projects in the sphere of employment will require over billion korunas in the next year, of this, a half will be spent on unemployment benefits.

After a discussion, deputies passed the law.

After that, parliament was expected to return to the discussion on the law on prices, which—as we reported yesterday—had been postponed, under unusual circumstances, one day ago. Yet, there was another unexpected turn. K. Spacek, finance minister, demanded that the draft be completely removed from the agenda of the 12th meeting. As Prime Minister P. Pithart had explained earlier, there still was confusion about the division of the spheres of competence between the federation and the republics. This allegedly provoked the intervention of Minister Vaclav Klaus in the Czech National Council's debate and lead, finally, to a complete removal of this draft from the agenda.

One question remains, however. Did the federal minister really not know about the republican draft in due time and was he really unable to intervene sooner that at the very last moment? And, if he knew, why was the Czech National Council's agenda disturbed in such an unprecedented manner?

The discussion about the federation's budget and about the republican budgets continued in committees the same day. Deputies make efforts to have them discussed before Christmas.

Parliamentary Group Calls For No-Confidence Vote

AU2712132990 Prague CTK in English 1348 GMT 22 Dec 90

[Text] Prague Dec 22 (CTK)—The Czech National Council (regional parliament) will meet for an extraordinary session in the second half of January to debate a no-confidence motion in the council's presidium.

The call for the election of a new presidium was made by the inter-parliamentary group of the democratic right wing in the council at its session late last night. This group, associating center and center-right deputies of the Civic Forum (OF), the largest political force in the Czech parliament, said that when the present presidium was elected after the parliamentary elections last June, the deputies had little opportunity to know those they were electing to the top posts. A new election would thus be based on greater personal experience with their colleagues.

In a vote the proposal to debate the no-confidence motion was supported by 71 deputies against 53 and with 30 abstentions, more than one-third of the 200 Czech parliament members required to call an extraordinary session.

Current chairman of the Czech parliament, Dagmar Buresova, figures prominently among the leaders of another OF parliamentary section calling itself the liberal group.

The expressions of no confidence were prompted by a debate on the division of extraordinary bonuses for the Czech parliament deputies the legitimacy of which was

questioned in some of the parliamentary groups. Most of the deputies have said they devoted the bonuses to charity.

Czech Deputies Reject Strategic Planning Law

AU2712081890 Prague RUDE PRAVO in Czech 20 Dec 90 pp 1, 2

[Nada Adamickova, Marie Konigova, Pavel Paral report: "Does Parliament Reject Planning?"]

[Excerpts] Prague (From our correspondents)—It does not happen very often that Federal Assembly deputies reject a law. Yet, this is what happened on Wednesday [19 December]. At its 10th meeting, parliament did not pass the law on strategic planning. The proposal, presented by the initiative group of deputies headed by Milos Zeman, aroused a stormy discussion at the previous meeting of the Chambers last week. The debate about this law was interrupted in order to give a representative of the Federal Government an opportunity to explain why the law was necessary.

Not even the speech delivered by Prime Minister Marian Calfa, or by Minister of Strategic Planning, Pavel Hoffmann, prevented the rejection of the law in the Czech part of the Chamber of Nations. The deputies— mostly with outspoken rightist ideas—explained that the government, in P. Hoffman's works, "would have to plan even if the law is not passed."

The draft law anticipated that the government will work out strategies for economic development, the main objective of which will be to gather and analyze information. The output will not be binding at all. The law was to specify just the tasks and the function of the strategic planning and it enacted the duty to subordinate the economic policy to the goals fixed in the strategy. When drafting the law, the experience acquired in France and Holland was taken into account.

The opponents of the law (for example, Pavel Bratinka from Civic Forum) vehemently rejected the benefits of the strategic planning for economic development and they stressed that "these are the socialist manners of intervening in economy." P. Bratinka even frightened the deputies with the idea that they would have to approve the strategic plan every year and he spoke about the future in general.

Because the proposers and the representatives of the government convincingly disproved the objections against the law opinions could be heard that rather than debating on the law personal accounts were being settled.

The Federal Assembly Presidium decided that the arbitration proceeding will be held, probably in January. [passage omitted].

Frantisek Peter (Public Against Violence movement) took the floor unexpectedly and, on behalf of the Social and Cultural Committees pointed to the critical situation in the book and journal culture. This situation ensues from the fact that, by the decision of the Federal Ministry of Finance, a 22-percent sales tax has been introduced in the printing industry as of 1 January. [passage omitted] The Social and Cultural Committees proposed to the Federal Government to reduce the sales tax in the printing industry to zero, which will not prevent the price increase of paper, yet the increase will not be that high. [passage omitted] Vasil Mohorita was not elected to the Federal Assembly Foreign Committee.

Czech Government Discusses Ore Mining Program

AU2712082590 Prague HOSPODARSKE NOVINY in Czech 20 Dec 90 pp 1,8

["(ST)" and "(DD)"-signed report: "More Than 20 Issues Discussed in the Czech Government"]

[Excerpt] Ore mining and its winding down program were two of the most discussed points on the agenda—which contained more than 20 issues—at yesterday's Czech Government session. This year's subsidies for ore mining were reduced by 411 million korunas, that is, by 33 percent. State expenditure on this sphere will radically decline in future years.

It is expected that in 1994 extraction should be concentrated in the Pribram ore mines, and extraction at Jesenik should come to an end. During the course of three years, 2,825 jobs will disappear. Approximately 460 of the current employees will retire; an alternative solution will be sought for the other employees. The enterprises themselves have to prepare requalification programs.

The Czech Government also decided to establish 30 new joint stock companies. For example, there are 18 in the industrial sector, seven in construction, and three local small businesses in the Interior Ministry civilian sector. [passage omitted]

Decisions of Slovak Parliament Reviewed

AU2612101890 Bratislava PRAVDA in Slovak 19 Dec 90 pp 1, 2

[Stefan Hrcka report: "Kucerak's Bedtime Story at Four; Second Day of the Ninth Meeting of the Slovak National Council: Law, Account, and Budget"]

[Excerpts] Bratislava (From our reporter)—The Ninth Meeting of the Slovak National Council [SNR] continued yesterday. The deputies first discussed the government-sponsored draft of the SNR on insurance companies. [passage omitted] The submitted draft creates scope for the abolition of the state monopoly in insurance matters. [passage omitted] Following a debate, the Slovak parliament approved the draft with amendments. Under the approved law, insurance companies can be

established in the form of a state enterprise, a corporation, or an insurance association. The law will come into force on 1 March 1991. This means that foreign capital will be able to enter the Slovak insurance system as of March. For the time being, however, it will be able to do so only in the form of a stake in insurance corporations established by Czechoslovak legal or physical persons. The stake of foreign shareholders must not exceed 25 percent of the capital stock. The free operation of foreign insurance companies in Slovakia will be possible only after 1 March 1993. This two-year period of protection should make it possible for Slovak insurance companies to "stand on their own feet" and be able to stand up to foreign competition.

Deficit of 1.4 Billion

After the lunch break the deputies quickly approved the state closing account for 1989. [passage omitted] As the account concerns a period which the present government and parliament were unable to influence, the SNR approved it practically without a debate. The results of the budget economy for 1989 were the worst in recent years. The aggregate sum of state budgets was closed with a deficit of 3.5 billion korunas, of which the state budget of the Slovak Republic accounts for 1.4 billion, the state budget of the Czech Republic for 1.3 billion, and the state budget of the federation for 0.8 billion. To offset this deficit, it was necessary to draw on the financial assets of the Czechoslovak Federation.

Rosy-Black Future

Jozef Kucerak, deputy prime minister of the Slovak Republic, then unexpectedly took the floor. In his "market economy manifesto" he repeated the old truths which the government's economists have been telling us the whole year. [passage omitted] Ivan Carnogursky (Christian Democratic Movement), SNR first deputy chairman, who chaired the session, wittily thanked J. Kucerak for his "bedtime story at four" and for having outlined to the Slovak parliament our future in rosy-black colors.

Finally, the turn came of the long-awaited government-sponsored draft law of the SNR on the state budget of the Slovak Republic for 1991. It was presented by Slovak Republic Finance Minister M. Kovac. He graphically described the competence peripeties which accompanied the drafting of the budget. The fact that this year's budget so far shows a deficit, i.e. a gap between revenues and expenditures, of over 2 billion korunas is also remarkable. This indicates the probable size of this year's state closing account deficit. Next year's distinctly restrictive financial policy, on the other hand, should safeguard a state budget surplus of 0.7 billion korunas. According to the draft budget, the government anticipates total revenues of 118,866,800,000 korunas and total expenditures of 118,186,800,000 korunas. [passage omitted]

The debate on the budget was interrupted at around 1900. It will be resumed today.

Foreign Minister Summarizes 1990 Foreign Policy

AU2612164290 Prague LIDOVE NOVINY in Czech 19 Dec 90, pp 1,2

[Unattributed report: "More Active Attitude Toward the World"]

[Text] Prague—Yesterday, CSFR Foreign Minister Jiri Dienstbier presented to the Federal Assembly Foreign Affairs Committees an extensive report on foreign policy during the last 12 months.

The minister said that the first task we had to face was the renewal of the sovereignty of the state and the normalization of relations with other countries. The most important step was the agreement on the withdrawal of Soviet troops from our territory. Czechoslovak citizens were also pleased with the agreement on visa-free travel with almost all European countries (with the exception of Greece and Portugal—agreements with these countries will be concluded soon). The principal activity of Czechoslovak diplomacy in this period was directed toward an "effective integration of our country into the main currents of the European policy." The CSFR was granted guest status in the Council of Europe and, after the European Convention on Human Rights is signed, nothing will prevent the CSFR from being accepted as a full member—maybe, as soon as February 1991. In recent months, exceptional efforts have been made to obtain associate membership in European Communities, which would be a guarantee of long-term economic, financial, and technological cooperation with and assistance from the economically strongest international community. Our relations with the EEC have also become more intensive.

"Our activity within the subregional framework is important for the efforts of our foreign policy to find a firm place in the future architecture of Europe," Jiri Dienstbier continued. In this connection, he spoke mainly about our activity within the framework of the Pentagonale, which, in his opinion, "within one year of its establishment has grown into a flexible international group having its own program and identity."

In the part of the report devoted to the role of Czechoslovak diplomacy in obtaining international support for the implementation of the economic reform in the CSFR, the minister also mentioned the plan which is usually associated with his name. "The disintegration of the existing economic ties with the CEMA countries and the move of its members toward the new principles of external economic relations based on market principles, brings about a number of risks. In May this year, I suggested, in my speech at Harvard University, a solution that could soften, at least partially, this impact. The so-called stabilization plan for Central Europe and for the USSR anticipates that assistance will be provided by developed countries to the USSR and the deliveries—

according to specific projects—from Czechoslovakia, Poland, and Hungary will be paid for from the means of this assistance. (...) We think that the principles of this plan could be applied now, while these countries are considering the scope and the type of a specific economic assistance to the USSR," Jiri Dienstbier said.

As far as our own relations with the USSR are concerned, the minister is of the opinion that they are quite complicated and in disarray. They lack a political dialogue on the highest level and there are serious problems in economic relations. On the contrary, our relations with the United States are developing in a positive direction—the most-favored-nation clause is the most important example. The relations between the CSFR and Germany witnessed presumably the most visible change. In January 1991, talks will be held about a mutual agreement, the part of which will also be the solution to property and legal claims. "We will have to defend all the claims of our people," J. Dienstbier stated.

The foreign minister devoted separate chapters of his report to the relations of the CSFR toward developing countries and the United Nations. In the passage dealing with our attitude toward Arab countries he stressed the principle that our relations must be ridden of ideology.

The activity of the Czechoslovak foreign policy can be illustrated on some interesting figures. This year the CSFR concluded a total of 69 bilateral agreements, more than two thirds of them were concluded with Western countries. At the present time we are bound by about 900 multilateral and by more than 2,000 bilateral agreements, which are undergoing a revision process at the Federal Ministry of Foreign Affairs. The president of the republic visited officially 16 countries; the foreign minister, 25; and the federal prime ministers had dealings in many places. Our delegations participated in a number of important international meetings. Jiri Dienstbier stressed the importance of those meetings which contributed to the disarmament process.

Deputies also heard the evaluation of our activity in the Warsaw Pact, whose raison d'etre, in the opinion of the minister, will disappear in 1992. When speaking about our ideas about a new pan-European security system, Jiri Dienstbier rejected objections criticizing the naivete of this concept—in his opinion, the new situation in the world requires a nontraditional way of thinking.

At the conclusion of his speech, the minister of foreign affairs spoke about the tasks of the foreign policy in the next year. He also mentioned the process of undergoing reconstruction at his ministry and changes in personnel that are being prepared. As of 17 December, 410 persons left the Ministry of Foreign Affairs and 30 persons were given notice. As of 30 November, a total of 438 employees were recalled from abroad.

Editorial on Walesa Inability To Form Government

AU2712094790 Warsaw GAZETA WYBORCZA in Polish 21 Dec 90 p 1

[Adam Michnik editorial]

[Text] The statement made by president-elect Walesa is astonishing.

Public opinion has a right to know the principles that have guided the victorious electoral camp to issue a statement in which they refuse to form a government, which—according to their earlier pronouncements—was necessary to begin implementing policies that were acceptable to the whole of society. Why is Lech Walesa now saying that "no one with any sense of responsibility is willing to undertake any sort of important task for only three months"? It is absolutely normal practice in democratic countries to form the government before an impending election and for the government then to defend its policies in the election campaign?

Finally, how is Prime Minister Tadeusz Mazowiecki supposed to continue in office when the Sejm has already accepted the government's resignation? Is it because the victorious camp wants to make political capital out of the same scapegoat in the upcoming parliamentary elections as it did in the presidential election and to be able to slate the government and make more irresponsible promises? Public opinion also has a right to know how the much heralded acceleration is to fit in with Walesa's alternative suggestion—namely, to postpone parliamentary elections for about a year.

A final question: Does the alternative suggested by the president-elect mean that he thinks his political base is too narrow to be able to form a government immediately?

If so, then we anticipate seeing official talks without delay with representatives of the fundamental political forces in Poland. Compromise solutions are possible and must be found. Such propositions must be formulated by Walesa in the language of political agreement and in accordance with democratic procedures. The policy of a future government can be the subject of mutual agreements.

Necessity of Consensus Government Emphasized

AU2712085490 Warsaw ZYCIE WARSZAWY in Polish 21 Dec 90 p 1

[Kazimierz Woycicki commentary: "The Need for Cooperation"]

[Text] No Polish government can avoid the problems that were faced by the Mazowiecki team. The questions that were of topical importance over the past fifteen months remain the same today:

—Will the government succeed in creating an appropriate majority in society that will support the continuation of the reforms or will wage demands not triumph, thus canceling out the effects of the present anti-inflationary policy?

—How should the costs of reform be distributed and what sacrifices should individual social groups make for the sake of the reforms?

—Can the advocates of the current reforms obtain the support that they need in a future parliament?

These are not questions to which there are clear and obvious answers. The radical economic reforms have earned substantial recognition from the West and have placed Poland at the forefront of change in postcommunist Europe. There is no unconditional support, however, for these reforms in our own country. This is not something that we should resent. The reforms call for an enormous effort from a society that is already tired.

As in the former GDR, the former communists in Poland obtained 10 percent of the vote in our presidential elections with their slogan of "take all that you can get." The 20 odd percent obtained by Tyminski indicates how much dissatisfaction and confusion there is. A large number of farmers feel that they have not benefited from the reforms and they can become a growing potential source of opposition.

No Warsaw government will find a miraculous formula for dealing with the current situation. To safeguard the reform, it is necessary to look for important political divisions not in those places where they appeared to emerge over the past few months, but elsewhere. This does not mean obscuring the differences that have already come into existence. A proper policy, however, one that is motivated by the common good of the country, is based on the conclusion of compromises. Before Poland develops a lasting party- parliamentary system, we will have to effect splits on more than one occasion, but it will more often be the case that we will have to conclude wise political arrangements.

Support for the reforms, which will still require many sacrifices and much patience, will have to be continually fostered. It calls for cooperation between the forces of reason and democratization and restraint regarding political ambitions. This would appear to be the sense of and intention behind Lech Walesa's recent statement. In it, the president-elect acknowledges indirectly how difficult it is to create a government under the present conditions.

It shows that Walesa has not succumbed to the temptation of rapid and simple solutions or the suggestions of those who are guided by a feeling of triumph, and that he is ready to draw conclusions from the course of the election campaign. The time that has been set aside for negotiations should also be a time for mobilizing goodwill on all sides.

Walesa Continues Political Consultations

LD2612202690 Warsaw PAP in English 1924 GMT 26 Dec 90

[Text] Warsaw, Dec. 26—In the forenoon of Christmas Eve President Lech Walesa held political talks related to the formation of a new government.

The consultations, said the presidential spokesman, enabled us to give shape to a concept, rather a precise one at that, which includes personnel decisions allowing to hold consultations that would recapitulate resolutions made so far.

Lech Walesa is going to Warsaw on Thursday to continue political talks.

Organization of First Privatization Criticized

AU2712092490 Warsaw RZECZPOSPOLITA in Polish 21 Dec 90 Economy and Law Section p 1

[Piotr Aleksandrowicz commentary: "Thorny Path"]

[Text] The deadline for the offer to the public of stock in the first five companies being privatized has been extended. This might be interpreted to mean that the first large-scale sale of stock in state companies has been a flop. This may appear to be so for the short term, because oversubscription of these stocks is not expected to happen. This is the only mechanism that ensures that the investor will make a profit when the stock starts to be traded.

There are certain factors, however, which show that Poland's first subscription attempt should not be judged in such a clear-cut way as would be the case with privatization carried out in much more developed market economies. The habit of investment in stocks in Poland will only establish itself gradually and develop slowly. The general demand for stock will slowly increase. Second, even if the establishment of a securities trading market does not produce any immediate jump in the value of the securities, the long-range trend is that values will go up. Additionally, the state treasury and the companies themselves will be interested to see that the value of the stock does go up and will undoubtedly use all instruments at their disposal to ensure this happens.

Finally—and here we get to the specifics of the Polish privatization—it is not known whether the extension of the deadline comes as a result of a weak demand for stock on offer or from organizational weaknesses of the public offer by the various institutions involved who were unable to provide the appropriate organizational support.

This is a subject that requires separate treatment, because the scandalous conditions for stock acquisition have cast a long shadow over future privatizations. Delays in providing necessary prospectuses (full of errors), the lack of responses to many questions, the manifold difficulties banks had, and the shabby treatment given to people who decided to invest their savings and were forced to wait in lines for hours, all go to show that even though one may wish to modernize the economy, organizationally one still remains in the epoch of socialist-realism.

Given this context, the smugness manifested by a high official of the Ministry of Ownership Changes responsible for the whole operation was—let us be quite frank—in very poor taste.

This official also talked about other things which only exposed his complete ignorance of the significance of this first privatization, of the reason for introducing transferable stock, and of how to treat people who want to invest their savings in stocks.

The banks' attitude is also surprising—rumor has it that only the PKO SA bank has for the last few months declared its readiness to participate in subscriptions and, in the future, to organize a secondary trading market in these stocks. Other banks, it appears, had to be forced to participate in this subscription.

In the future, one might to have to seek alternatives to organize such public subscriptions and make use of new financial institutions, as well as using the central and local government structures and a network of verified trading counters, and so forth.

This setback of the first privatization attempt has two dimensions to it. First, the economic aspect which may not be as bleak as it appears to be now, and second, the organizational aspect, which was a disaster. The outcome should spur the institutions involved in this privatization sale (including the appropriate ministry), to make a public analysis of the results of their performance.

Ex-King Mihai's Visit Prompts Reactions

ROMPRES Reports Expulsion

AU2612143090 Bucharest ROMPRES in English 1030 GMT 26 Dec 90

[Text] Bucharest, ROMPRES 26/12/1990—Ex-King Mihai with his wife and one daughter left Romania at 0543 a.m. aboard a Romanian airline plane.

Mihai of Hohenzollern, his wife, Princess Anne of Bourbon-Parma and his daughter Sofia with a party of foreign journalists and photographers entered the country on board a private aircraft on 25 December and landed at 0616 p.m. at the Otopeni International Airport having no valid visas without giving the Romanian authorities prior notice of their visit.

The Romanian Civil Aviation Department had authorised on 25 December a flight requested by a Geneva private company to fly to Bucharest a group of businessmen, according to the telex sent. The request for the flight had also been made before, on 22 and 24 December, but the flight did not take place. A list of passengers sent out by telephone proved out fictitious at the check point, since they were in reality ex-King Mihai, his wife and one of his daughters.

The three did not have entry visas. They left their passports at the check point and fraudulently crossed the border, before they could learn the lawful decision of the border police.

According to a statement of General Valeriu Rozoleanu, head of the General Passport Department, the former king, his wife and daughter "entered illegally and forced [their way across] the border crossing" dismissing the "pleas of the check point workers." The ex-king and his party left Otopeni in several cars that were waiting for them for Curtea de Arges. Near Pitesti, the cars were stopped and forced to return to Otopeni.

They were asked to leave the territory of Romania, the Ministry of the Interior's Press Office announced.

[The] ex-king's visit lasted 11 hours and 27 minutes.

Mr. Constantin Brancoveanu on the ex-king's party said that Michael of Hohenzollern had planned "a private visit to go on a pilgrimage to Curtea de Arges to the graves of his ancestors."

Mrs. Simina Mezincescu, also on the party, said Princess Margaret, in Romania since 20 December, would have informed Prime Minister Petre Roman of her father's intention to come to Romania "for a short private visit and a mass at Curtea de Arges." "Had he been allowed, no one would have known, for he would have gone from Otopeni directly to Curtea de Arges for a mass on Wednesday morning and returned to Otopeni," she said.

Mihai of Hohenzollern, born in 1921, was king of Romania twice: Over 1927-1930 when King Charles II had left the country renouncing the throne for personal reasons, and from September 1940 (when Charles II abdicated) until December 1947 when Romania became a republic.

On 23 August 1944, Mihai had Marshal Antonescu, the country's de facto leader, arrested as he was preparing the Romanian Armed Forces for a long resistance to the Russian Armed Forces. Mihai of Hohenzollern was one of only five foreign personalities awarded by Stalin the highest Soviet war order—the order of victory.

In connection with ex-King Mihai's arrival in Romania, the Romanian Foreign Affairs Ministry makes the following points:

1) At the airport ex-King Mihai presented a diplomatic passport issued by Denmark's authorities. A consular agreement had been concluded between Romania and Denmark of mutual renunciation of visas, but the Danish side has recently suspended its application. Consequently, the Romanian side did the same. Therefore the Romanian citizens holding diplomatic passports need Danish visa and all the holders of Danish diplomatic passports need Romanian visa;

2) The Foreign Affairs Ministry had no knowledge of the former king's intention to come to Romania. No Romanian diplomatic or consular office had been requested a visa;

3) In conclusion, the ex-king and the members of his family did not have the necessary visas to legally cross into Romania.

Ex-King Mihai I had already expressed his wish to come to Romania for the Easter festivities. He was to come as a common citizen since no political contacts were envisaged.

Ever since February 23 Mr. Ion Iliescu, Romania's president now and president of the Provisional National Unity Council, then, had received a letter from the ex-king who was expressing his wish for a referendum on the re-establishment of monarchy, which was a political action.

Taking into consideration that the ex-king could pay a private visit here, Romania's Government showed its readiness, also including facilities for it. Statements were made afterwards by the ex-king and his family. They were talking about participation in a meeting in Timisoara, in the resurrection service at the Patriarchy, about contacts with representatives of political groupings. Therefore, the visit would again have acquired a political character, which was wanted neither by parties nor by the population.

The ex-king was contacted and he was told the political situation in the country, and he was suggested to postpone his visit for a time after the elections.

A time of silence followed on the ex-king's part and only his family could be contacted.

The cancellation of the visit came after all possibilities for dialogue were consumed.

Daughter Vows Mihai Will Return

AU2612165590 Bucharest ROMPRES in English 1540 GMT 26 Dec 90

[Text] Bucharest ROMPRES 26/12/990—At Otopeni Airport, shortly before the plane was to take off, Princess Margaret stated to a ROMPRES reporter: It was a visit which would have intended to be a historic [visit], paid on a spiritual occasion, and Father would have been extremely happy to return to his country and pray on Christmas. Everything blew up in violence. I am very shocked that something like that could happen, more particularly that the young ones who brought their country's liberty can see now that it is not free yet. It is terrible. They laid down their lives in vain. It is not this night's happening that wronged my father as it is his regret for the young people who died for a country which, after twelve months, is not free yet. This is actually dramatic.

Asked what the results of the previous meeting with Premier Roman were as regards the possibility for the ex-king to visit Romania, the princess specified: My father shortened his visit from three days to 24 hours precisely because there should be no problem.

We took the prime minister's opinions into account who advised him to do so since it was not the due time, people were tired and had problems. In spite of all this my fath. will come back to Romania, and I tell this to everybody, Princess Margaret stated.

In reference to the visa, we could see all the other people were having it at the airport when they arrived there, and we thought we could have it alike, ex-King Mihai stated. It just seems to me very unusual to be sent away.

Asked whether he felt the same as in 1947, the ex-monarch said: No, not quite the same. You can't compare it.

Senators Demand Clarifications

AU2712102890 Bucharest Domestic Service in Romanian 1000 GMT 27 Dec 90

[Text] Romania's Senate resumed proceedings in plenum today after a short break over Christmas. Before continuing discussions on the land stock bill, several senators voiced their views in connection with the visit of Romania's ex-king, Mihai of Hohenzollern, on Christmas Day.

The majority of senators, who asked to take the floor in connection with this event, demanded explanations on the part of the Ministries of Interior and Foreign Affairs, as well as on the part of the Civil Aviation Department, about the conditions in which seven foreigners without complete legal formalities, were able to pass through Romania's border checkpoint. They also demanded that the guilty people be called to account.

From sources of our country's Ministry of Foreign Affairs we understand that Denmark's charge d'affaires ad interim in Bucharest, [name indistinct], was invited to discuss issues linked to the Danish diplomatic passport held by ex-King Mihai to clarify the situation, so the existing positive relations between Romania and Denmark are by no means troubled or affected.

In this context, the Romanian side expressed thanks and satisfaction in connection with the signs of solidarity which were obvious from the very first days of the Romanian revolution, and thanks for the constant and consistent humanitarian help received from the Danish Government and people. The joint desire was expressed to further develop Romanian-Danish cooperation and collaboration.

PNT-cd Issues Communique

AU2612185690 Bucharest Domestic Service in Romanian 1800 GMT 26 Dec 90

[Communique from the National Peasants Christian Democratic Party, PNT-cd; place and date not given]

[Text] In spite of the 43 years of forced exile, King Mihai I has preserved his Romanian citizenship with dignity. Expelled from the country by a communist dictatorship—imposed from abroad—which the 1989 December revolution condemned, King Mihai I has the right to enter his homeland.

The PNT-cd protests the way in which the government took action in connection with the visit of King Mihai I and demands that such abusive procedures, which are at variance with the democratic spirit that is inspiring Europe today, should be stopped.

A communique expressing a similar stand was also sent to ROMPRES news agency by the Steering Council of the PNT-cd which, at the same time, extends an invitation to the ex-King to visit Romania.

FSN Issues Open Letter to Timisoara Residents

AU2712104190 Bucharest AZI in Romanian 18 Dec 90 pp 1,2

["Text" of "Open Letter from the National Salvation Front to Timisoara Residents: 'Romania Has Chosen Democracy!'"; place and date not given]

[Text] Now, on the first anniversary of the outbreak of the revolution in Timisoara which freed us all from dictatorship and communism, the National Salvation Front [FSN] pays homage to the heroic city and its courageous residents and expresses its gratitude to them. We all know how much we owe you, just as we know how much we owe all our country's inhabitants and the Romanian people for their proof of courage and dignity when they rose up against oppression with the strength

and unity that brought the victory of the revolution on 22 December. A year ago, on 16 December 1989, Timisoara voiced the desire of the whole nation, while the nation, listening to its voice, rose up and completed the liberation.

We, along with the entire nation, bow to the memory of the Timisoara martyrs. It is the sacred duty of Romania to honor their memory and keep it alive. It is a duty of honor for all of us to look after those who had to suffer for the victory of the revolution—the wounded, the invalids, and the families of those who fell.

On this December day, the FSN, the political formation established on the day of the victory of the revolution, which, with the proclamation of the Declaration-Program, sanctioned the removal of the former regime and embarked on the road to building modern Romania, pays homage, along with the entire Romanian nation, to the residents of Timisoara; the FSN believes that, like 22 December which will go down in history as the day of the victory of the revolution, 16 December should be commemorated as the first day of the revolution.

We would have liked the FSN to be with you in Timisoara's Opera Square to jointly celebrate the first anniversary of the beginning of the revolution. We believe that this would have been only natural in a democratic state in which everyone has the right to his own opinion, in which supporters or sympathizers of various parties do not hate each other for not belonging to the same, big, and oppressive party that would make not only votes, but also our daily life depend on political affiliation, as it would—in these days—make even the religious holidays of the whole nation so depend.

We understand that a portion of the Timisoara residents does not like the FSN—but we also know that the majority of the city's residents voted for it—and we understand that noteworthy figures of the city do not agree with its program; however, 16 December is a day of the nation, a day of tolerance and understanding beyond political differences, because it is the day on which all of Romania selected a common option—the option for a revolution.

Who has turned this national day into a day of political confrontation? Who is assuming responsibility for splitting the nation in two—the good and the bad, those who have been elected and those who are going to be punished for their political preference? Who is trying to turn Timisoara, the city of the revolution, into a forum of intolerance, anarchy, and totalitarianism? Its residents—who struggled for democracy, freedom of opinion, the freedom of each individual to be himself and no longer to be forced to be lost in the midst of an anonymous chanting mass—should not permit Timisoara to engender national disunity for political reasons.

On 16 December, the rally in Timisoara's Opera Square to commemorate the beginning of the Romanian revolution was turned by the organizers into a demonstration against the FSN, against the president and Parliament elected by the people on 20 May, and against the government set up in accordance with democratic principles. The commemoration of last year's events was replaced by protests instead of homage to the victims; threats were issued, there were slogans instead of prayers, and placards instead of flowers. What did the speakers on the historic balcony of the Opera House demand or offer?

First, they demanded resignations! In fact, they demanded that the entire political system built up with so much effort this past year be dismantled and that the freely expressed choice of the people in the 20 May elections be cancelled! What did they offer in exchange? A government appointed by the student organizations, the trade unions, the Association of Former Political Detainees, the Civic Alliance, and by other organizations; a government which should be in power for one year until new general elections are organized in October 1991. Is this democracy? Does replacing the result of the general election on the basis of a decision by the leaders of some professional and apolitical organizations mean respecting the will of the people?

The FSN views the replacement of the democratic procedure of free elections by the aggressive totalitarians of street demonstrations as intolerable. It would be an absolute tragedy if—at the end of 1990—the whole nation were to return to the situation of the first days after the revolution, and if the institutions confirmed by the elections were replaced by improvised ones, legalized only by demonstrations, and ready to be replaced by another such demonstration. To contest the 20 May elections means to contest the democratic system itself, because in such a case any elections, whatever the result, could be canceled by other demonstrations, meetings, and strikes. The establishment of anarchy, arbitrary actions, and the dictatorship of certain organizations that "do not need to be legalized, because they are the ones to legalize" would cancel the revolution itself.

Those on the balcony of the Timisoara Opera House demanded "the elimination from society" of political opponents. Is this, perhaps, an example of respect for human rights or of democratic tolerance? They demanded that some people, who have not yet been tried, be sentenced. Is this proof of not trying to influence the courts politically? They demanded that the Army come under the jurisdiction of the Church! Is this proof of concern about the destiny of the nation and of political maturity in general? They demanded that Law No. 15 be canceled and, thus, the entire reform program proposed by the government. Furthermore, what was proposed instead? Nothing! They demanded the restoration of the monarchy. Is this what the Timisoara people fought for last December?

Why should an illegitimate government, imposed by the pressure of political demonstrations and strikes, organize elections in October 1991, when the law provides for them to be organized by a legitimate government six months later?

On behalf of the trade unions, it was stated that the Timisoara workers will not work unless they are guaranteed a tolerable standard of living. If they are not going to work, who will guarantee that standard of living? Who is going to work to fill the Timisoara stores with goods while the enterprises of that city are on strike? Furthermore, speaking of the country in general, how do you think the prosperity of our nation can be guaranteed when there are only political strikes and government changes? Do you believe that the "legalization" of another government by the Civic Alliance and the other organizations would, all at once, solve the supply problems of enterprises and stores, the problems of corruption, incompetence, and smuggling, and the problems of jobs and outdated technologies?

The FSN has proposed a program of political and economic reform to the nation and it has begun to yield fruit. In just one year Romania has changed essentially: We have new institutions of state power and a system of democratic laws that provide for the replacement of old ones through free elections; the theses of the new Constitution have already been drafted and published, so that the Constitution can be adopted according to the schedule stipulated by the election law; the FSN has established a competent government, whose economic reform program is supported— its essential features—by all social and political forces, and against which no other program has been presented; acting in accordance with this program, the FSN government has proceeded firmly to decentralize and privatize the economy, and to build a market-oriented economy. The first economic results can already be seen in the slight increase in economic growth. In its international relations, Romania's position is also improving considerably, especially because all these achievements have been accomplished in just six months of government.

Certainly, not everything has progressed as we would all have liked. The people have not had enough social security. The clarifications we would like to have about the revolution and the 13-15 June events are being delayed intolerably. Other such lack of accomplishments can be listed. They can be solved; the government has begun serious discussions with the trade unions about the labor law; parliamentary commissions have announced the imminent publication of their reports; other problems will be solved from now on. Proof of democracy is the fact that those in power have control over the solution of these problems, that attention is constantly drawn to the fact that these problems have to be solved and those in power cannot ignore this.

Who would benefit from having this beginning cancelled only to permit some leaders rejected by the 20 May elections to take over power. Furthermore, would these leaders and "apolitical" or political organizations show the necessary competence and responsibility to lead our country?

The Opera Square meeting showed that these "leaders" are not united, except in the desire to take over power by all means. As for the rest, they have made contradictory demands and sometimes accused each other. Can the Timisoara people possibly support these people and all these proposals? Do you believe that it is worth thrusting the country into chaos only to bring those people to power, without elections, and without a democratic system that will guarantee that the entire nation can express its opinion?

The FSN does not accept such an alternative. We view it as harming the destiny of the nation itself. Romania has chosen the road to democracy and legality and this road has to be pursued, irrespective of who has to wait for the next elections to take over power. This is a rule of democracy; a year ago, during the hot week of 16-22 December 1989, the Timisoara residents fought and suffered for democracy.

We respect the Timisoara residents and are convinced that tolerance and democracy will prevail over violence, intolerance, and totalitarianism. We hope that the revolution anniversary will unite us all in a gesture of solidarity for the benefit of Romania, just as the gesture of all Romanians did only 1 year ago.

Iliescu Invites Original FSN Council To Meet

AU2512182590 Bucharest ROMPRES in English 1819 GMT 25 Dec 90

[Text] President Ion Iliescu invited all the members of the first National Salvation Front [FSN] Council set up in the night of December 22, 1989 to a friendly meeting at Cotroceni Palace.

The meeting will take place Friday, December 28, 1990.

Opposition Figure Discusses Civic Alliance

AU2312191590 Budapest NEPSZABADSAG in Hungarian 18 Dec 90 p 3

[Interview with Civic Alliance Member Smaranda Enache by Peter E.Kovary in Timisoara on 16 December: "Civic Alliance for Dialogue"; first paragraph is NEPSZABADSAG introduction]

[Text] Slowly it is getting to the point where there is not enough room even to drop a needle in the area leading to the balcony of the Opera House in Temesvar [Timisoara]. Despite the massive swarming going on, one can still hear the rhythmical chanting of thousands of people gathered in the square facing the Opera House: "Down with Iliescu!" Speakers come one after the other to the balcony. The commemoration of the events in Timisoara between 16 and 20 December 1989, events which led to several hundreds of victims and which sparked the revolution in Romania, began with this mass meeting on 16 December. The waves of people are drifting us toward a familiar figure: Mrs. Smaranda Enache, director of the Puppet Theater in Marosvasarhely [Tirgu Mures]. Earlier, her own compatriots threatened to kill her. Nationalist newspapers continue to attack her because she

repeatedly declared to several newspapers—including to NEPSZABADSAG on the occasion of the international puppet theater festival in Bekescsaba this summer—that one should not rebuild the Romanian culture at the expense of another culture, of the Hungarian culture. She gladly welcomes us and she remembers our previous meeting and discussion when she also said the following: "Representatives of the two cultures must sit down and calmly discuss everything, and must debate things responsibly, because there is no other alternative but coexistence. We are now engaged in creating this dialogue."

[Enache] In the meantime, the possibilities of this plan and effort have become more firm and these efforts have become more palpable, albeit in a modified form.

[Kovary] As far as we can conclude from the reports on the Civic Alliance so far, this is the party of the progressive intelligentsia in Romania, and you are one of the leaders of this party.

[Enache] The Civic Alliance does not want to become a party, but it definitely wants to gather all the forces of the Romanian intelligentsia which include people like Doina Cornea, the poetess Ana Blandiana, and the students' leader Marian Munteanu.

[Kovary] What goals does the Civic Alliance want to achieve by gathering all these forces?

[Enache] Our goal is to represent the citizens and to promote a dialogue between the various groups of intellectuals and a normal political activity.

[Kovary] In other words, you do not want to participate in the government. Do you not organize the people for demonstrations and strikes?

[Enache] Indeed, we do not mobilize the people to demonstrate because we are afraid of provocations, the dictatorship of the Army, and of the fact that Romania will lose all chances for a peaceful Christmas. All this does not mean that our members cannot engage in various political activity or that our organization avoids any responsibility and role in Romania's leadership.

[Kovary] In other words, your organization does not agree with the often mentioned need for a second revolution?

[Enache] We need new elections. The present Parliament does not represent the will of the people. As a person committed to the National Salvation Front, Mr. Iliescu has failed to become a president above the political parties and failed to keep his promise to the Romanian nation and to all the national minorities in Romania.

[Kovary] After all this, what have you to say to our readers, as a Christmas message, from here, Revolution Square in Timisoara?

[Enache] First, I must thank the people for the many letters expressing good wishes; unfortunately, I do not have enough time to answer all of them. Please, excuse me for that. For Christmas, I wish peace, happiness, and finally friendship for all Hungarian and Romanian people!

Roman Wants Guilty Communist Officials Prosecuted

AU2412164090 Bucharest Domestic Service in Romanian 1400 GMT 24 Dec 90

[Text] Justice Minister Mr. Victor Babiuc has been authorized to make a statement on behalf of Prime Minister Petre Roman. Among other things, the statement points out that the prime minister has asked the Prosecutor's Office to continue its actions to uncover and sue all persons guilty of deeds against the Romanian people—deeds committed during the communist regime and during the revolution. These people must be punished by the courts in accordance with the law. One should assess the part played by each guilty person in the country's disaster and in the attempt to repress the revolution as well as their deeds against the Romanian state and people for more than 40 years, including the hot days of the revolution, when unarmed civilians were fired on.

Justice Minister Issues Statement

AU2412172690 Bucharest ROMPRES in English 1626 GMT 24 Dec 90

[Text] Bucharest ROMPRES, 24/12/1990—One year after the Romanian revolution of December 1989 the guilty of the disaster the country had come to and engendered the revolution, those who tried to stifle the revolution through bloodshed, the so-called terrorists are still among us, anonymous and in full liberty, shows a statement Minister of Justice Victor Babiuc made on behalf of the prime minister. [sentence as received]

Yet, the Romanian people has the right to know who were all those who, by fraudulently seizing the political power, organized and used terror against tens and hundreds of thousand citizens, sent to the court, condemned, imprisoned or killed innocent people, encouraged denouncement, lies and corruption, profaned the Romanian people's traditions and history, starved people and kept them in darkness and cold, disunited the Romanians from their fellow countrymen of other nationalities leading the country to disaster and, ultimately, when the people rose they shot at the peaceful population to bloodily stifle the revolution, after the dictator's escape included. The Romanian people has the right to know who these persons are and what they did, but with every passing day the chances to learn the truth are ever smaller.

The penal bodies, more particularly the Prosecutor's Office, are in duty bound to take each case separately and establish each one's contribution to the country's disaster and to the attempt to repress the revolution, and bring the culprits to court because they are to be held

responsible for what they have done against the country and the Romanian people for more than 40 years, including the hot revolution days when they shot at an unarmed population.

To conceal the truth and to procrastinate the moment of doing justice means to work against the Romanian people's interests of today and tomorrow, and that is why the passive attitude of the penal bodies, of the Prosecutor's Office can no longer be tolerated.

For all this and aware of the complexity and difficulty of such a mission,the prime minister demands the prosecutor's bodies to carry through their discovery and bring to trial all those who are guilty before the Romanian people both during the communist regime and during the revolution. The country's rebirth, national reconciliation, the restitution of Romania's true image to the world cannot be conceived without it, the statement shows in conclusion.

Student Leaders Want Political Solution to Crisis

AU2312155590 Bucharest ROMANIA LIBERA in Romanian 18 Dec 90 p 5

[Interview with Mihai Gheorghiu and George Roncea, student leaders on hunger strike, by Sorin Rosca-Stanescu; place and date not given: "Anticommunism Is No Politics"; first paragraph is ROMANIA LIBERA introduction]

[Text] As is known, Mihai Gheorghiu and George Roncea have been on a hunger strike since 4 December. We held a short interview with them.

[Rosca-Stanescu] Mihai Gheorghiu, what is the current strength of the students grouped around you?

[Gheorghiu] From a moral viewpoint, they represent an impressive force. Were we to refer to their practical possibilities, it is obvious that the students do not have the necessary leverage to determine a change of government or of the political situation. We believe, however, that our mission is not that, but rather to promote certain moral and democratic principles, in the spirit of this people's traditions.

[Rosca-Stanescu] As far as I am concerned, it seems to me that the ties between the students and the trade unions are confused. Some have promptly rallied themselves to the students' protest, others have adopted a wait-and-see attitude, while the Vulcan enterprise workers applauded Iliescu last Saturday. Could you answer this, George Roncea?

[Roncea] As far back as last January, when we began to organize ourselves, we tried to establish solid ties with the workers' trade unions. On 11 June, several students' trade unions had talks with the representatives of the "Fratia" ["Brotherhood"] Confederation, to agree on a common program. As you well know, however, immediately afterwards, we had to deal with a totally different kind of events. We want and strive for ever closer ties with the workers' trade unions.

[Rosca-Stanescu] Mihai Gheorghiu, how do the students defend themselves against the accusation that they make politics?

[Gheorghiu] Those who claim this live in a state of confusion due to the low level of political culture. We do not make politics. To support democracy and the rebirth of the Romanian society does not mean to make politics. Anticommunism is not politics, but the expression of a human sentiment.

[Rosca-Stanescu] Do you believe that any unsolved trade union problem can become a political problem and that an accumulation of such problems can legitimize the trade unions' demand that the country's government and president should be dismissed?

[Gheorghiu] This is absolutely true. Failure to solve the trade unions' claims leads to crisis and a profound crisis can only be solved politically.

[Rosca-Stanescu] In your appeal to the nation, you said that in the absence of a reaction from the trade unions, the students will stop their strike. Well, first responses have already arrived from the physicians' trade union, from workers' trade unions in Timisoara, Craiova, and so forth. What do you plan to do now, George Roncea?

[Roncea] We clearly said that this strike is a very widespread action and that we have to consult with all university centers around the country, before taking a decision. Our appeal was also addressed to broad categories of people, not just the trade unions. We are waiting for further response.

[Rosca-Stanescu] As far as you are concerned, Mihai Gheorghiu, when will you end your hunger strike?

[Gheorghiu] This decision to go on a hunger strike was a conscience appeal addressed to the students, at a time of profound crisis in the Romanian society. The protests of students from all university centers and their reaction of solidarity amount to a clear-cut condemnation of the state of affairs in Romania, of the causes that generated it, and of those guilty for this situation. We believe that our mission—I am referred to me and Roncea—has been fulfilled.

Nastase Comments on Basic Foreign Policy Trends

AU2612175490 Bucharest ROMPRES in English 1556 GMT 26 Dec 90

[Text] Bucharest ROMPRES 26/12/1990—One year after the revolution I think that the first consideration that imposes itself is the solidity and consistency of the basic strategic orientations of the Romanian foreign policy promoted both by the provisional authorities after the revolution and by the bodies elected on 20 May, said

Romania's Foreign Minister Adrian Nastase upon the request of the Romanian national news agency ROMPRES.

Romania's Government in the Statement-Programme advanced to Parliament underscored that the priority of its action is the safeguarding, protection and promotion of our national interest in an international context still characterized by fluidity and uncertainty, the identification, with realism and responsibility, of the most efficient ways in this direction, all while continuing the policy of broad openness to all the countries of the world, to connect the country to the processes and tendencies manifest on a world plane, the foreign minister stressed.

These basic guidelines underline the Romanian foreign policy strategy to take the country out of the isolation imposed on it by the totalitarian regime and regain the status of equal partner in its relations with the world's developed countries; to take an active, direct part in the building of the new Europe, and gradually join the organizations of European vocation; eliminate asymmetries and discrepancies in the relations with the East European countries and set them on new, normal bases ridded of ideological dogmas; give special attention to good neighbourly relations, revigorate Balkan cooperation; make up for the shortcomings in the relations with the European countries but not at the expense of the links with the other states of the world, get more marked the Latin dimension of the Romanian foreign policy; give up all restrictive, unrealistic positions on international matters starting with those concerning human rights, and observe international standards in the field; to use the participation in the activity of the UN and of other international organizations for the promotion of stands strictly linked to Romania's interest; to promote a new attitude vis-a-vis the Romanian emigration.

The activity carried on internationally to implement these strategic guidelines was characterized by intense bi- and multilateral contacts at all levels and in most diverse domains, many of them inconceivable during the communist dictatorship. Consequently, relations with most of the Western countries are normalizing, the recent statement of the U.S. Department of State, one year after the revolution, being a proof in this respect.

The path to the common market has been smoothed through the signing of the economic cooperation agreement and conditions are in place for Romania to benefit by the assistance programmes of the group of 24 - Phare [as received]; there are also chances that Romania be granted the status of invited guest to the Council of Europe. In other words, Romania is getting closer to the pace that characterize the relations of the other East European countries with the same international bodies. The support granted by France, Spain and Greece was quite significant. Foreign economic, financial and banking relations are ever more intense. We have normal, good links with the Soviet Union and China. After the visit Romania's president paid to Japan and the prime minister to Germany our ties with these two big economic powers benefit from normal development conditions. An inconceivable before openness occurred to zones restricted in the past: South Korea and South Africa. The overwhelming majority of the African, Arab, Asian and Latin American countries have reasserted both their support to the Romanian revolution and readiness to develop relations with our countries on new bases. Romania's stands on the Gulf crisis, in August when it chaired the Security Council included, were correctly understood internationally.

That is why there are all international conditions to boost our relations with the world states and international organizations on a political, economic, cultural and technical scientific plane, and it depends mostly on us, on our capability of action and involvement to use such a conjuncture, Romania's foreign minister said. It is well to make a clear-cut distinction between Romania's external activity and its image abroad. Its external image has been tributary to a great extent to internal developments and inflexions. Were we to graphically express the evolution of Romania's image abroad, it would take on the form of the letter "V," with its left side being the image of the days that immediately followed the December revolution, somehow bigger than the right one. Its lower point represents the way in which the June 13-15 events were viewed abroad. Without mentioning again their significance and implications, we can say that the government's programme for economic reforms, the Parliament's intense activity and, generally, the efforts that are being made to attain the ideals that inspired the December revolution were decisive for a sensitive improvement of our country's image abroad.

Nevertheless, we should remember that this "V" is also one of the symbols of our revolution's victory, the Romanian foreign minister also said. This must instill us optimism and confidence, convinced that all kinds of signals we convey abroad are received at their real value so that the implementation of Romania's foreign policy goals should contribute to the achievement of all the objectives for a democratic transformation of Romanian society.

Reserve Officers League Condemns CADA Actions

AU2312204690 Bucharest AZI in Romanian 15 Dec 90 p 2

["Note" from the Committee of National League of Reserve and Retiring Officers, Bucharest Municipality Branch: "By the Side of the Romanian Army"; place and date not given]

[Text] Approaching the first anniversary of the Romanian Revolution, the NATIONAL LEAGUE OF RESERVE AND RETIRED OFFICERS [ofiteri in rezerva si in retragere], the BUCHAREST MUNICIPALITY BRANCH, an apolitical body, whose only resolute goals are represented by the unanimous wish of its members to devotedly serve the lofty ideals of the

revolution achieved through great sacrifices by the Romanian people in December 1989, declares:

The credo of our league is to serve the interests of Romania, of the state of law, and of the Romanian people, who started off on the irreversible road of democracy, and who are free of the darkness of communist dictatorship, which, for more than 40 years, has pushed the country into an increasingly deeper chaos, and in the most terrible material and cultural misery.

We favor and will resolutely work to grant support to the Parliament, our country's elected president, and the legally established government, which, in difficult moments, assumed the great responsibility to pull Romania out of the deadlock through reform, which currently represents a realistic program for Romania's progress, although it could be improved.

We, in our capacity as reserve officers, nurture in our hearts and minds our duty to the country. Furthermore, we will wholeheartedly support the National Defense Ministry's actions aimed at consolidating the military body as well as the actions of the Army, which we can only consider as a uniform entity, always ready to defend the country's integrity, Romania's independence and sovereignty, and the order of law of the state, which nobody ever has the right to touch.

We believe that it is our patriotic duty to make a contribution—in accordance with our power and possibilities—and support the Army in shaping worthy soldiers, capable of carrying out any kind of mission bestowed upon them. We will be friends, advisers, and partners in the dialogue between military cadres, to whom we want to convey our experience and by whose sides we want to be in the activity of developing their patriotic feelings, devotion to the career they have chosen, and feeling of complete respect for the oath of allegiance, the military laws and rules, and the spirit of order and discipline.

We dissociate ourselves from all attempts—no matter where they come from—to push Romania into a partisan struggle for power and to destabilize the country from a political, social, and economic point of view. We condemn all types of extremist actions and we speak out against all those, who, out of mean interest and with the assistance of hidden forces from the inside or from abroad, spread rumors, divulge state secrets, and undermine the normal progress of our country on the road of democracy.

As reserve and retired officers, who served our people under the holy tricolor of the homeland, we express firm disapproval of all attempts to destabilize the Army, reduce the internal unity of the military body, paralyze its capacity for action, lessen order and discipline. Likewise, we disapprove of attempts to execrate the Army which fraternized with the people during the revolution and sacrificed lives on the barricades of the December 1989 battles.

The Committee of Action for the Democratization of the Army [CADA]—the initiator of all these destructive actions—and other destabilizing organizations, which have emerged in the Army, although rejected by the great majority of the military cadres, soldiers, and by all those who feel truly Romanians, still attempt to attack under the protection of those who are paid with dirty money.

Our cause, the cause of the reserve and retired officers is only one: the cause of the country and of the Romanian people and their Army. We pledge to serve it to the end of our days!

THE COMMITTEE OF THE NATIONAL LEAGUE OF RESERVE AND RETIRED OFFICERS BUCHAREST BRANCH.

Foreign Minister Nastase Continues Visit to Egypt

Meets Egyptian Officials; Gives Briefing

AU2612200190 Bucharest ROMPRES in English 1856 GMT 26 Dec 90

[Text] Bucharest ROMPRES 26/12/1990—[dateline as received] Tuesday evening, 25 December, the Romanian Minister of Foreign Affairs Adrian Nastase received Sayed Zaky chairman of the Romanian-Egyptian Friendship Association, president of the Cooperatist Union of Egypt, and Professor Ahmed Khamis of "al-Sadat" University, economic counselor to the prime minister and to the governor of Cairo, secretary general of the said friendship association.

Both sides stressed the important role the association could play in promoting and extending the relations between the two countries and peoples.

Mr. Sayed Zaky expressed his respect and admiration for the Romanian people who "in Decembrie 1989, achieved a true revolution."

In the evening, Minister Nastase gave an interview for the Egyptian Television and attended a press conference. On both occasions he approached aspects related to the significance of the democratic process in Romania. In connection with the international situation, special emphasis was laid on the gulf crisis and on Romania's wish that the issue could be solved by political means, in compliance with the UN Charter and the international law.

Meets With Egyptian President Mubarak

AU2712105390 Bucharest ROMPRES in English 0845 GMT 27 Dec 90

[Text] Cairo (ROMPRES) 27/12/1990—Ismailia witnessed on Wednesday the highlight of the official visit the Romanian delegation headed by Mr. Adrian Nastase is paying to Egypt—the call on the president of the Arab Republic of Egypt, Mr. Muhammad Husni Mubarak.

On the occasion Mr. Adrian Nastase handed over to President Muhammad Husni Mubarak a message from the Romanian head of state Mr. Ion Iliescu.

During the interview a survey was made of the current stage of the bilateral relations and of the possibilities of expanding and intensifying them. It was agreed that cooperation on a political, economic, social plane and human contacts be developed to imprint a new dynamics to the Romanian-Egyptian cooperation.

The exchange of views on the international life focused on the situation in the gulf. President Muhammad Husni Mubarak set forth his country' stand on it, stressing that Egypt wished that the crisis be solved peacefully.

He also mentioned that Romania's point of view as regards the gulf situation, including its activity as a member of the Security Council, was well known and appreciated.

In his turn, Mr. Adrian Nastase referred at length to Romania's stand on the situation in that region, to the efforts it made in August when it held the chairmanship of the Security Council for a negotiated solution to the situation in the area. Likewise, he stressed that until 15 January—the deadline set by the Security Council for the Iraqi troops' withdrawal from Kuwait—imagination, initiative were necessary, all modalities should be explored to avoid the outbreak of a conflict.

In that context aspects were approached related to the Palestinian question and the complex Middle East situation.

Answering a question of the ROMPRES envoy President Muhammad Husni Mubarak said that the interview with Mr. Adrian Nastase and the other members of the Romanian delegation was useful and fruitful. Romania—he said—is a friendly country and we hope that this visit will consolidate the fine relations between the two countries and nations imparting them new dimensions. In that context he welcomed the fact that Messrs. Adrian Nastase and 'Ismat 'Abd-al-Majid agreed on the setting up of the Romanian-Egyptian Foreign Affairs Commission. We must cooperate closer than before, the Egyptian head of state said. In conclusion President Muhammad Husni Mubarak stressed: We wish Romania success in building the new society it wishes. We wish that stability and peace rule in this friendly country. Let us rally our efforts towards cooperation ventures and a productive activity in the interest of our peoples.

In his turn Mr. Adrian Nastase appreciated the interview he had been granted by President Mubarak as a very good opportunity to present the political developments in Romania and discuss the prospects of bilateral relations and the diplomatic activities under way in the hope of a peaceful solution to the gulf crisis.

The official visit of the Romanian delegation to the Arab Republic of Egypt continues.

ROMPRES Chief Pays Visit to Moldova

AU2512170190 Bucharest ROMPRES in English 1559 GMT 25 Dec 90

[Text] Bucharest ROMPRES, 25/12/1990—The chairman of the Supreme Soviet of Moldova, Mr. Alexandru Mosanu, received the director-general of the national news agency "ROMPRES," Mr. Neagu Udroiu, now on a visit to Kishinev upon the invitation of the Moldova Press Agency management.

The talk concentrated on questions related to the current political situation in Romania in the context of its commitment to the irreversible path of democratization of the sociopolitical life and its transition to the market economy, as well as on the sociopolitical situation in the Republic of Moldova, highly tense following the separatist movement encouraged by the most conservative forces in the Soviet Union.

Mr. Mosanu thanked for the help "ROMPRES" has given to the press agency of Moldova during its formation, and Mr. Udroiu showed the readiness of the institution he is leading to further assist their colleagues in Moldova.

The collocutors also highlighted the need to expand the collaboration between Moldova Press and ROMPRES.

The interview was attended by the director general of the Moldova Press National Agency, Mr. Vasile Vatamanu, deputy to the Parliament of the Republic.

New Communist Party Elects Leaders

AU2412210390 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 24 Dec 90

[Radovan Pantovic report; place and date not given]

[Text] [Announcer] After working for one whole day, and having adopted party documents and elected leadership, the founding conference of the League of Communists—Movement for Yugoslavia was concluded in Belgrade this evening. [Pantovic] With plans to be a continuation of the workers and communist movement in our country, as well as a real political heir to the former League of Communists of Yugoslavia, the League of Communists—Movement for Yugoslavia adopted its political platform at the conference. The party has as its basic aim the protection of the SFRY and equality of its peoples and nationalities. The conference also elected the party leadership, that is, the Main Yugoslav Committee consisting of 52 delegates from the entire country, and appointed Dragan Atanasovski president of the committee. In his welcoming speech, Atanasovski said the following:

[Atanasovski] We have gathered because we want to establish equality, solidarity, and brotherhood among the Yugoslav peoples who are now on the brink of a fratricidal war. These are the relations among our peoples for which the most progressive minds that we have ever had in our history used to fight, the relations with which we entered the great liberation struggle against fascism and upon which we strived to build a new and more just Yugoslavia.

At the same time, we want to initiate a big reform of the Yugoslav society which will make it possible for us to have an economic, technological, political, and cultural development at a level higher than we ever had and to build a new socialism.

[Pantovic] The Executive Council, which was also elected this evening and which will be an operative body of the League of Communists—Movement for Yugoslavia, includes Stevan Mirkovic, Mirjana Markovic, Borislav Mikelic, Admiral Bozidar Grubesic, and Branko Mamula, among others.

The program platform and other political documents adopted today, as well as many speeches, reiterate a firm orientation toward defending Yugoslavia, protecting its federal setup, and preserving its socialist character.

An essential orientation of the Alliance of the Yugoslav Communists is their advocation of the market economy with mixed forms of ownership, as well as of implementing a complete social reform. It was reiterated several times, however, that the Alliance considers the reprivatization of the social property to be a sellout of the social property and shifting the difficulties onto the workers' backs.

It was said that the Alliance will be on the side of the progressive left which has its place even in the most developed countries in the world.

One could also hear at the conference that about 100,000 members have already joined the movement, and that more than 300 local, regional and local committees have been formed in all republics.

New Members Listed

LD2412215990 Belgrade TANJUG Domestic Service in Serbo-Croatian 1832 GMT 24 Dec 90

[Text] Belgrade, 24 Dec (TANJUG)—At the end of its one-day session, the conference of the League of Communists-Movement for Yugoslavia this evening elected by acclamation the Yugoslav Committee of the newly formed party, which consists of 52 members.

The Yugoslav Committee, which met during the conference, elected Dragan Atanasovski, an engineer from Kumanovo, its president.

Eight members of the Executive Committe were also elected. They are: Yugoslav People's Army officer Vukota Popovic, the committee secretary; Admiral Bozidar Grubisic; Nikolay Kaloper, an author from Osijek; Dr Mirjana Markovic [Slobodan Milosevic's wife] a professor at Belgrade University; Dr nikola Matovski, a professor at Skopje University; retired Colonel General Stevan Mirkovic; retired Admiral of the Fleet Branko mamula; and Boro [Borislav] Mikelic, an engineer from Petrinja. Dragan Atanasovski is the ex officio member.

It was suggested that the Executive Committee have 14 members. The vacant five seats will be filled with two members each from Montenegro and Bosnia-Hercegovina and one from Slovenia at a later date.

Macedonian Party Protests New Party

LD2512231190 Belgrade TANJUG in English 1946 GMT 25 Dec 90

[Text] Skopje, December 25 (TANJUG)—The Macedonian National Party—The Movement for Pan-Macedonian Action (MAAK) on Tuesday sharply criticized the League of Communists-Movement for Yugoslavia (LC-MY) for wanting to preserve the old bureaucratic and statist system under the pretext of "preserving Yugoslavia".

The MAAK statement issued in Skopje today said that the LC-MY is a group of the most orthodox former power-holders who lost the battle at the last congress of the former League of Communists of Yugoslavia last January.

MAAK believes that the LC-MY is an "artificial product with elements of militarism" wanting to rule the Yugoslav peoples while advocating an alleged preservation of Yugoslavia.

The statement describes Macedonians in the LC-MY as "subjects of the obsolete Bolshevik regime" and an "anti-Macedonian leadership group". Among them are the last LCY President Milan Pancevski and first President of the LC-MY Dragisa Atanasovski, who was elected to the post at the party's first conference in Belgrade yesterday. Pancevski is a member of the party's inner leadership.

The LC-MY was founded on November 19. Among its initiators are many active and retired military and political officials.

President Markovic Warns of 'Anarchy and Chaos'

LD2612190890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1522 GMT 26 Dec 90

[Text] Belgrade, 26 Dec (TANJUG)—Yugoslavia must decide whether it wishes to halt the current erosion of its legal and economic system and create normal conditions for negotiations about new options for its future or whether it will continue with the practice in evidence throughout the second half of this year which will inevitably lead to anarchy and chaos with complete uncertainty as to the final outcome and consequences for the country's citizens and its nations and nationalities.

A warning to this effect was issued today at a joint meeting between Ante Markovic, president of the Federal Executive Council, and presidents of the executive councils and governments of the republics and the province of Vojvodina.

The chaotic situation in the functioning of the system is reflected in not only complete disrespect for federal laws, the fragmentation of the market, and the failure to pay contributions to the federal budget (up to 26 December the federation is still owed 10 billion dinars), but also in an unprecedented violation of the country's wages and salaries system which has all the hallmarks of a typical bank robbery. For instance, there is evidence that recently even the names of transfer orders have been changed: for instance, an enterprise pays in money to settle customs duties, but individual social accountancy services have started canceling relevant accounts and channeling the money in a different direction.

A similar situation is in evidence in the monetary sphere where in the last two months alone the established limit has been breached to the tune of 8 to 10 billion dinars. Instead of investing in development funds, the republics and provinces have transferred the funds to finance consumption. In the June-December period alone 120 billion dinars (11 billion dollars) about the amount stipulated within the anti-inflationary framework were spent on public expenditure and 57 billion dinars (5 billion dollars) above the limit on person incomes. In this way public expenditure has "eaten up" not only the entire accumulation fund but also the depreciation fund of the Yugoslav economy. Increases in personal incomes correspond to overall losses in the economy.

In light of the fact that multiparty elections have now been carried out in all the republics, the Federal Executive Council believes it is both necessary and possible for the Yugoslav nations and nationalities to reach agreement on minimum prerequisites necessary for the state to function normally until an answer is found to the question of whether and how to live together, the Federal Executive Council Information Secretariat says in a statement from today's meeting.

Vice Prime Minister Pregl Founds Own Party

AU2212230490 Belgrade BORBA in Serbo-Croatian 6 Dec 90 p 3

[S. Sicarov report: "The Social Democratic Union Is not a 'Trojan Horse' of the Alliance of Reform Forces of Yugoslavia"]

[Excerpt] Ljubljana—The parties in power are losing their reputation and there is still plenty of space among opposition parties for a new party of the social democratic orientation. Although such a party already exists under the leadership of Joze Pucnik, we held talks with him and concluded that our program is essentially different from the program of Pucnik's Party.

His program is attractively written, but it does not offer any specific steps for the realization of social programs. We are also less skeptical about the future of Yugoslavia than Pucnik's democrats. In contrast to them, we think that while resolving crises in a peaceful way, we must also protect the social and legal safety and openness of Yugoslavia toward the world. We also differ with regard to history. The present social democrats are in an unnatural coalition with the right, when really their place is on the left.

This is how Zivko Pregl [vice president of the Federal Executive Council] opened the founding assembly of the Social Democratic Union of Slovenia [Socijaldemokratska unija Slovenije] in the Cankar Hall yesterday. He also said that the Social Democratic Union is not the Trojan horse of Markovic's party in Slovenia, and that the party will operate as an autonomous party. According to Pregl, the party chose the name of the Social Democratic Union because it will be a union of regional organizations, although it has unofficially been learned that this was the only remaining name since Dr. Pucnik patented as many as 23 different names connected with the adjective "social democratic."

At the assembly, the members of the Initiating Committee, Dr. Rado Bohinc, Dr. Rastko Mocnik, Ivo Vajgl, and Zivko Pregl presented the basic program orientations of the new party. [passage omitted]

Croatia, Slovenia Delegations Discuss Crisis

AU2212194890 Zagreb VJESNIK in Serbo-Croatian 19 Dec 90 p 1

[HINA report: "Only an Agreement Between Sovereign Republics"]

[Text] Zagreb—A meeting was held in Zagreb on Tuesday between the Croatian and Slovene leaderships in which Dr. Franjo Tudjman, Dr. Zarko Domljan, Josip Manolic, Slavko Degoricija, Ivan Vekic, Milan Ramljak, and Milan Jurinjak took part for the Croatian side and Milan Kucan, Lojze Peterle, France Bucar, and Mile Setinc for the Slovene side. As stated in an announcement from the office of the President of the Republic of Croatia, the leaderships of the Republic of Croatia and the Republic of Slovenia discussed coordinating policy prior to the session of the Federal Chamber of the SFRY Assembly on Wednesday and the strategy of the two republics in overcoming the constitutional and political crisis, particularly in relation to a stand on the role of federal organs in the process of reaching a new historical agreement.

In a Peaceful Way

The Slovene and Croatian sides agreed on the stand that the Yugoslav and constitutional crisis should be overcome in a peaceful way and from the position of a law-governed state. All ways of settling relations between the republics and the federation, as well as mutual relations between republics must proceed from an agreement of sovereign republics, which is something that also proceeds from the 1974 Constitution.

Both sides agreed to advocate the provision of the necessary bases for the federation to function until a new agreement on Yugoslavia is reached, even though they continue to have some essential criticism regarding some proposals and measures by the Federal Government.

Criticism

Both sides presented serious criticism of the proposed agenda of the session of the SFRY Assembly Federal Chamber scheduled for 19 December 1990. They challenged the authority of the SFRY Assembly's Federal Chamber to make a decision on issues in the jurisdiction of sovereign republics, like the law on the plebiscite. Regarding discussions on the "current political-security situation in the country," which was proposed in the second point of the agenda, the republics of Croatia and Slovenia think that consideration of this point is the responsibility of the SFRY Presidency.

Government Says Economist's Assessments 'Biased'

LD2512231390 Belgrade TANJUG in English 2038 GMT 25 Dec 90

[Text] Belgrade, Dec 25 (TANJUG)—The Information Service of the Yugoslav Government of Prime Minister Ante Markovic today in a statement denied the assessments of the government's work made by prominent Economist Dr Kosta Mihajlovic, terming them biased.

Mihajlovic's sharp criticism of the federal government's economic policy was published on Monday by the Belgrade daily POLITIKA, noting that "the stands largely summarize the views of a group of experts the Yugoslav State Presidency set up in October."

The statement, however, says that the group of experts from all six Yugoslav republics, failed to achieve accord in its assessment of the government's work.

Calling the analysis of the prominent Serbian economist unfair, the Yugoslav Government's Information Service contested his stands.

The Information Service contests Dr Mihajlovic's assessment that the government's anti-inflation program has proven to be failure. Instead of Mihajlovic's argument that the annual inflation, as opposed to the planned 13 percent will reach 130 percent, it cites data that the annual rate stood at around 1,300 percent in March 1989, when the present government took over.

In its statement the Information Service also set out that Dr Mihajlovic criticised the federal government, overlooking the fact that its work had been practically blocked, saying that Yugoslavia's republics in the second half of the year demonstrated that they did not wish to cooperate with the government.

Reasons for Army Depoliticization Viewed

AU2612090290 Ljubljana DELO in Slovene 13 Dec 90 p 1

[Janja Klasinc commentary: "General Staff Games"]

[Text] The news about the depoliticization of the Army that General Kadijevic announced to the State Presidency today is something that the majority of the Yugoslav as well as foreign public has already been awaiting impatiently and for too long. This fact and the conciliatory tone at the session of the collective head of state create the impression that something is happening in the Army. What that is and why this release of tension is occuming right now are questions to which there are still no clear answers.

In a country in which the Armed Forces have been playing a very important role for almost half a century, it would be naive to expect them to renounce that privileged position overnight. Claims and assessments that General Kadijevic conveyed to Yugoslavia through his messenger Lazanski undoubtedly confirm this. The top Army leadership has not denied those, but has said that they are "in conformity with the policy of the Yugoslav People's Army and the Federal Executive Council." To what extent this is really true about the Federal Government is still a question, because it in fact proposed the depoliticization of the Army and insisted upon it.

This is why the fact that the Yugoslav People's Army [JNA] is suddenly "giving in" raises a certain suspicion. Are the generals perhaps afraid of a sharp reaction in Slovenia and Croatia? Hardly so! Perhaps they are afraid of the international public? They may be, but only partly. Is this an attempt to calm down the Slovenes because any saber-rattling before the plebiscite may only homogenize them further? This may be a wise tactical move to make; however, what if it is only a consequence of Slobodan Milosevic's victory and of the possibility to preserve old relations? That is very possible!

Anyway, the top military leadership has most probably made concessions merely for tactical reasons. Despite that, we hope that the depoliticization of the JNA has finally transferred these general staff exercises from political forums into barracks and that generals would finally return there as well.

Air Force Commander on Ensuring Democratic Changes

AU2212215790 Belgrade Domestic Service in Serbo-Croatian 2100 GMT 22 Dec 90

[Text] The Army day was also celebrated by all units stations at the Pleso airport near Zagreb. On this occasion Colonel General Anton Tus, commander of the air force and the air defense, stressed that the members of the Armed Forces support reform processes that are conducted in a democratic and peaceful way. The Army will not apply force to influence democratic processes, nor will it allow forced changes, a civil war, and violence in the country, Colonel General Tus stressed.

Slovenia Formally Proclaimed Independent State

LD2612182390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1737 GMT 26 Dec 90

[Text] Ljubljana, 26 Dec (TANJUG)—During a joint session of all three Assembly chambers, Dr. France Bucar, president of the Assembly of the Republic of Slovenia, today formally proclaimed that the Republic of Slovenia had become an independent state.

Eighty-eight and a half percent of Slovenia's inhabitants entitled to vote voted during the plebiscite for this decision.

Dr. France Bucar and Milan Kucan, president of the presidency of the Republic of Slovenia, spoke during the session.

Slovene Assembly President Gives Views

LD2612231590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1759 GMT 26 Dec 90

[Text] Ljubljana, 26 Dec (TANJUG)—"Permit me to draw the conclusion that it was decided during the plebiscite that the Republic of Slovenia should become an independent state. In keeping with our laws, on behalf of the delegates of all the chambers of the Assembly of the Republic of Slovenia and before the Slovene, Yugoslav, and international public I formally announce that the Republic of Slovenia has become an independent state." With these words, during a joint session of the assemby chambers, Dr. France Bucar, president of the assembly of the Republic of Slovenia, proclaimed the results of the plebiscite during which 88.5 percent of the population of Slovenia entitled to vote decided that Slovenia should become an autonomous and independent state.

Opening the joint session of the assembly chambers, Dr. France Bucar greeted the delegates and guests among whom were Milan Kucan, president of the Presidency of the Republic of Slovenia, and Presidency members; Dr. Janez Drnovsek, a member of the SFRY Presidency; Archbishop of Ljubljana Dr. Alojzij Sustar; four members of the [wartime] Slovene National Liberation Council; a Croatian Assembly delegation, led by Croatian Assembly Preident Dr. Zarko Domljan; representatives of parliamentary political parties and alliances' and other guests.

"The Slovene people virtually unanimously opted for an independent state. This is an act of their will, for which they are not accountable to anyone except themselves," stressed Dr. Bucar. According to him, this is an act which can be performed by a mature nation alone completely conscious of its own individuality, a nation which is capable of confronting the challenges of the times and is ready to do so. In the past this ability, said Bucar, was not infrequently denied—also by some major nations with whom we lived as neighbors.

Referring to the past of the Slovene people and their history, Bucar said that they had failed to comprehend their position in 1848. They had failed to grasp and were incapable of coming to grips with the situation after World War I. In a naive and historically immature way we agreed to become incorporated in a new state of South Slavs, Bucar stressed. According to him, the historic blunder of that step was not in drawing closer to other Yugoslav peoples, but in consenting to a unitary state system. From the national point of view of Slovenes, Yugoslavia had become a negative inheritor of the Austro-Hungarian heritage. The failure of the experiment was built into the very birth of that state, Bucar added, and an antidemocratic spirit, replacing the integration strength of national awareness, was its constant companion.

From the national point of view the new Yugoslavia was the continuation of prewar Yugoslavia, except that the common denominator of unity was changed. Instead of the single Yugoslav nation there prevailed the idiom of a single Yugoslav working class. According to Bucar, this was just another defeat following on the victory of the Slovene will for autonomy and independence.

As a single state—regardless of whether it is formally called federal, traditional, or modern—Bucar believes

Yugoslavia is a creation incapable of survival. He asked whether the demand for one's own state is a historical anachronism. "Our reply is clear and unequivocal—if we want to live and survive as a nation with our own individuality then we must get into our hands the right and the opportunity independently to identify our advantages and independently seek ways of benefiting from them." According to Bucar, Yugoslavia, as a state, is too small for the implementation of most Slovene national interests.

"Our decision concerning an independent Slovenia is neither a negation of Yugoslavia nor an a priori option for it," Bucar went on. It can only provide an arena for the implementation of the joint interests which with others we shall define as being our joint interests. "It can exist as a reality only within this framework. The name of this reality, whether confederation or some other community of Yugoslav states, is a different issue."

Bucar also stressed that the "Yugoslav idea, which like a lodestar conquered the hearts of our forefathers along the road to the independence of the South Slav nations, has become obsolete."

"The real danger to our survival as a nation is the refusal to comprehend the time and the situation in which we are. This is symbolized best by the myth about a single Yugoslav state, about the unity of our common interests, joint historical and cultural links between Yugoslav nations, and similar artificial constructions from the ideology of Yugoslav unitarism."

"Our aspiration toward national identity and statehood—so clearly expressed in the plebiscite—does not contrast with current historical trends," Bucar emphasized. He went on to add that, on the contrary, what we are doing now is redirecting our development in line with the so-called new historical paradigm.

"It does not have to be specially emphasized that, in view of this, our action is not directed against the legitimate interests of anyone, because to deny them to others would imply negating ourselves," Bucar noted.

He said there is no reason why this step should be criticized as being made as a result of our total obsession with our ourselves and as such designed to jeopardize the rights and well-being of others and of the Yugoslav nations, in particular, or that our allegedly narrow-minded nationalism will be an obstacle to developments toward a united Europe, which are gradually emerging on the European horizon.

Slovenia is now an autonomous and independent state. This is how Milan Kucan, president of the Presidency of the Republic of Slovenia, started his report on the main guidelines for implementing the decisions of the plebiscite. His words were greeted with tumultuous applause.

According to Kucan, the priority task facing Slovenia is to draw up and adopt the constitution of the Republic of Slovenia as an independent state. The new constitution will provide foundations for drawing up other legal documents necessary for creating a comprehensive legal, political, and economic system. "At the same time, proceedings must be set in motion for the Republic of Slovenia to take over all sovereign rights that are now within the competence of the SFRY organs."

The new constitution must remain our priority task, and an approach that is above parties and interparty consensus must prevail during the work on it. The Slovene state will be based on strong respect for human rights and freedoms, Kucan stressed, and went on to warn of the need to observe obligations towards the Italian and Hungarian minorities. "The good intentions statement" will provide members of other Yugoslav nations and nationalities permanently residing in Slovenia with the opportunity to obtain Slovene citizenship if they so wish, Kucan added.

In reference to the need to regulate relations with other republics in Yugoslavia, Kucan expressed readiness to negotiate with other Yugoslav republics interested in setting up a new union or community of sovereign states which would be based primarily on economic interests. On these bases alone will it be possible to arrive at a new agreement among the Yugoslav nations and states, he said. Its independent status will enable Slovenia to make a formal offer to authorities in other republics that have gained legitimacy at parliamentary elections to rearrange relations among ourselves into a confederal community. At the same time a draft contract should be drawn up concerning the SFRY legal inheritance and the transfer of its rights and obligations.

Relationships to be discussed will not be those which come about as the result of secession but of separation of people and republics, he stated. Proposals on these lines must be prepared as soon as possible, preferably in conjunction with Croatia, and must be submitted to the assemblies of other republics. We must tell the world again and again that we are prepared to talk with all democratically elected and legitimate representatives of other republics and that we recommend such talks, Kucan stressed.

The policy of burning the bridges that used to bind us together in Yugoslavia, Kucan went on to say, is not and cannot be in in our interest. Our aim cannot be to fortify our border on the Kolpa and on the Sotla, but to cross the borders as the lines that separate us, and do this also toward Italy, Austria, and Hungary.

According to Kucan, to take over the authority now transferred to the federal organs is the condition for a democratic solution of the Yugoslav crisis. It is the way to overcome the duopoly in which constitution, legal, economic, and political powers of the republics and of the federal state overlap and increasingly block each other. This increasingly chaotic situation does not suit either us or others in Yugoslavia, and it is, moreover, posing a greater and greater threat to peace and security in Europe, Kucan warned.

According to Kucan, Slovenia's starting point is that it is a sovereign republic which is the protagonist of all the agreements and decisions about its status, including its links with other peoples in Yugoslavia and with the international community. As far as these issues are concerned, Slovenia cannot accept federal organs as its partners during the talks or its arbitrage during interrepublican talks. The only guide the Slovene organs have in this respect is the will of the Slovene people expressed during the plebiscite and the legal acts by the Slovene Assembly which are in keeping with this will.

The establishment of international contacts and activity to have autonomous and independent Slovenia recognized as a state and as an independent factor of international law is one of the significant tasks during the coming period. In connection with the protection and defense of the sovereignty of the Republic of Slovenia, Kucan expressed his conviction that the Yugoslav People's Army will not allow itself to be abused in the service of the interests of one policy and that it will not side with the undemocratic and violent prevention of the resolution of the Yugoslav crisis.

The view that Yugoslavia can only be saved by the army is also illogical, said Kucan, as is the idea that formerly fraternal republics can live in neighborly peace and harmony only after they have acquired their own armies. With the apparent removal of party influence from the army only the first move has been made in the direction of its depolitization. The wish has not yet been forsaken, however, said Kucan, for the Army to remain a political factor and a political arbiter in Yugoslav political life. As long as the Army is a joint Army of all Yugoslav peoples, it is our right and duty, Kucan concluded, to bring influence to bear so that the forces capable of adapting themselves to new, historic circumstances may gain the upper hand.

Results of Slovene Plebiscite Reported

AU2612163090 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 26 Dec 90

[Dragoslav Kosaric report]

[Text] Now we have a report from Ljubljana. The Republican Electoral Commission of Slovenia has just announced the official results of the plebiscite at which 88.5 percent of the Slovenes voted in favor of an independent and autonomous state of Slovenia. Dragoslav Kosaric has the details:

[Kosaric] The number of people whoe voted was 1,361,000, which is a 93.5-percent turnout. The percentage of the registered voters who voted in favor of an independent and autonomous state of Slovenia was 88.5, while four percent voted against and 0.9 percent of the ballot papers were invalid.

The highest turnout was in Ribnica with a little less than 97 percent and the lowest in the Ljubljana Center Commune with 86 percent. The largest number of votes against was registered in the multinational industrial town of Jesenice, 11.3 percent. It is interesting to note that in Ljubljana, an average of 7.5 percent of the voters voted against the proposal of Slovenia becoming an independent and autonomous state.

A relatively high percentage against was registered in Koper and Piran, and the largest number of affirmative votes was registered in Slovenske Konjice, somewhat over 94 percent.

All three chambers of the Slovene Assembly will held hold a joint session this evening at 1800 [1700 GMT] at which the results of the Sunday plebiscite on the independent and autonomous state of Slovenia will be proclaimed festively. According to the Law on Plebiscite, one should also adopt the specific program of activities following the plebiscite, according to which Slovenia's separation from the Yugoslav legal system should be realized within the next six months. The program has not been presented to the public so far.

We expect deputies' caucuses to discuss the program in the afternoon and possibly coordinate their views on it. Since the SFRY Presidency is going to hold an expanded session tomorrow and the Slovene Assembly is also going to meet tomorrow, some tactical marking of time should be expected until tomorrow afternoon when the outcome of the talks in Belgrade will be clearer.

Drnovsek on Slovenia's Need for Negotiations

AU2612211090 Belgrade BORBA in Serbo-Croatian 20 Dec 90 p 3

[V.S. report: "Independence Is Difficult To Verify"]

[Text] Ljubljana—We in Slovenia must prepare ourselves for long-lasting and most improbable and unpleasant negotiations. Only when we settle relations in Yugoslavia shall we be able to pose the question of the international recognition of Slovenia. This is what Janez Drnovsek, member of the SFRY Presidency, said at the public discussion forum in Novo Mesto.

If its separation from Yugoslavia involves a conflict, Slovenia will face serious problems in achieving international recognition; this is why Slovenia must today show that it wants to preserve the Yugoslav market, must negotiate reasonably, and must stop quarreling with the other parts of Yugoslavia without any reason.

In reply to the question on whether the Yugoslav People's Army has a plan for the place of the Army in a confederate state, Drnovsek said that he himself had offered such a suggestion in the Federal parliament, but his suggestion failed, just as he failed with the proposal on freezing the relations between Slovenia and the Yugoslav People's Army to avoid new conflicts. This is what Drnovsek said about his experiences with generals:

"Now that I have contacts with generals, I can see that they are all the same, no matter whether their names are

Kadijevic, Jansa, or something else. There is always a danger that if a soldier sees a tank, a missile, a cannon, or a plane, he will want to have it, whatever its price." As concerns Kadijevic's interview, Drnovsek said that the opinion of the majority of the SFRY Presidency members is the same as Kadijevic's and that they should not be saying that Kadijevic is imposing his views on others.

Speaking about the possible devaluation of the dinar, Drnovsek said that the pressures exerted on the Federal Executive Council to devalue the dinar are increasing more and more. "A new devaluation, however, means a new inflation. The most clever thing would be to make a new program and to adjust present instruments to the new level; however, the question is how to do this in the present situation. We shall try to reach a political agreement on adopting such a program. I am convinced that to achieve stabilization, any new government would have to take the same measures as the ones written down in Sachs' program, but it is true that the implementation of such a program must be better than the present implementation of Markovic's program."

National Movement Appeals to Slovenes on Unity

LD2412125890 Belgrade TANJUG Domestic Service in Serbo-Croatian 0956 GMT 24 Dec 90

[Text] Belgrade, 24 Dec (TANJUG)—The Conference of the League of Communists-Movement for Yugoslavia [Savez Komunista-Pokret za Jugoslaviju], in the work of which about 400 delegates elected in initiative committees throughout the country are participating, began in the Sava Center this morning. The conference began with the national anthem "Hej Sloveni", and is taking place without any great pomp in one of the smaller halls in the Sava Center. Among those present it is noticeable that there are a series of well-known political and military personalities, among others, Lazar Mojsov, Milan Pancevski, Dr. Mirjana Markovic, Danica Milosavljevic, Blagoje Adzic, Branko Mamula, and Stevan Mirkovic.

Although not on the expected agenda, the conference at the beginning of its work, regarding the plebiscite in Slovenia, adopted an appeal to the Slovene people to remain within Yugoslavia.

Former Chief of Staff on Slovenia's Independence

AU2612084490 Ljubljana DELO in Slovene 14 Dec 90 p 3

[Branko Soban report: "I Wish You All the Luck...."]

[Excerpts] Sezana, 13 Dec—Boos, applause, interruptions, numerous "provocative" questions—this is what the atmosphere was like in the big hall of the Sezana Communal Assembly last night, which was too small for everybody who wanted to attend the roundtable conference on Slovenia's independence. Such an interest was probably caused more by the people who participated in the conference than by the topic itself. It was probably the first time the Slovene Defense Minister sat at the same table with a Yugoslav general. A retired general, true, but still....

Exactly because of that, the guests—Viktor Zakelj, president of the Slovene Socialist Party, Janez Jansa, Slovene defense minister, and Stevan Mirkovic, former chief of the general staff, and now honorary citizen of the Sezana commune had to talk about Army topics instead of the plebiscite. Mirkovic was the "star" of the evening and despite a heated atmosphere and even some insults at his expense, he looked very calm and spoke all the time about the right of everybody in a democratic society to his opinion and convictions....

His introductory statement was also rather calm. For example, he said that the Slovene people have every right to decide their destiny. Therefore, no wise person in Yugoslavia can be against the plebiscite. The question, however, is what to do after the plebiscite. Many points are still incomplete, particularly in the spheres of the economy, politics, and the Army. According to him, hurried and one-sided measures are no good. He reproached Slovenia for paying almost no attention at all to opinions in other parts of the country. Specifically, everybody may lose in such a situation.

The atmosphere in the hall became heated after Mirkovic said that he had no intention of commenting on the recent statements by Mamula and Kadijevic. Requests of "be honest, tell us what you think about that....," poured toward the table at which the guests were sitting. Mirkovic replied that he is prepared to explain everything that interests the listeners, but that questions should be more specific.... [passage omitted]

There was an interesting arguement between Jansa and Mirkovic concerning military security service. Mirkovic—who kept claiming that he can only state his own opinion because he is no longer an active officer—claimed that there is nothing secretive about the said service. All its regulations are public and have been publicized (there was laughter in the hall when he said that). He also added that there is a control over that service. Jansa failed to agree with that. He said that these regulations have never been publicized, because they were marked as "highly confidential." However, they are not valid in Slovenia since the adoption of the Constitutional Law....

At the end of the roundtable conference, every guest was asked to say something once again. Everybody was very brief.

Stevan Mirkovic: "I wish you all the luck, whatever your decision...."

Janez Jansa: "After the plebiscite, for the first time we shall have the opportunity to decide about our destiny ourselves. From 23 December on, we alone shall be to blame for everything good and everything bad...." [passage omitted]

[The following passage in bold print appears boxed within the body of the item]

Stevan Mirkovic also spoke in the name of the new party, the League of Communists—Movement for Yugoslavia, that was recently found in the Belgrade Sava Center. He said that 140,000 applications to join the party have been received so far. He pointed out that this is not an Army party. The majority of the party members are middle-aged people between 40 and 45. He also mentioned the possibility that the present organizations of the League of Communists in the Army may join this party. There are some considerations about the complete League of Communists of Montenegro joining the new party, but there is still no final decision about that. Mirkovic also said that the party has already contacted some other parties. It will have cooperation with all parties which have Yugoslavia and socialism in their programs, he said.

United Opposition Deputies Win Novi Sad Vote

LD2412123890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1158 GMT 24 Dec 90

[Text] Novi Sad, 24 Dec (TANJUG)—In the second round of the elections for deputies in the National Assembly of Serbia, a convincing victory in Novi Sad and Sremski Kralovci was won by the United Opposition. Its candidates won in six constuencies and only in one—which encompasses Futog, Begec, and several other neighboring places—did the candidate of the Socialist Party of Serbia [Socijalisticka Partija Srbije (SPS] Win. A total of 123,680 turned out to vote, or 54.6 percent of the registered electorate.

These are the official results of the second round of voting by citizens of Novi Sad and Sremski Karlovci, announced at today's news conference. It was said at the conference that the opposition in the constituency in which the SPS candidate won objected to the course and results of the elections.

[Belgrade TANJUG Domestic Service in Serbo-Croatian at 1120 GMT on 24 December adds in a similar report, datelined Novi Sad: "One feature of the Novi Sad elections is that well known people lost. Serbian Executive Council President Stanko Radmilovic, for example, failed to win a seat.]

'Irregularities' in Serbian Elections Reported

AU2612174690 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 26 Dec 90

[Nebojsa Spajic report; place and date not given]

[Text] A member of a group of observers from U. S. Congress, Zoran (?Hodjera), has held a news conference on the elections in Serbia. The news conference was organized by the Democratic Party, because, due to technical problems, as was said, foreign observers were not allowed to hold a news conference at the Serbian Assembly Press Center yesterday. Here is a report by Nebojsa Spajic on the news conference which has just ended at the Pedagogical Academy building:

[Spajic] Zoran (?Hodjera) listed many problems noticed during the elections, above all concerning the identification of the voters which, according to what foreign observers have learned, was inadequate. He also said that he had not been given a satisfactory explanation about new 650,000 voters on the voters' lists. (?Hodjera) is of the opinion that the fact that this number amounts to over 10 percent of the electorate could have essentially influenced the results. As an illustration, he said that with 10 percent fewer votes in the first round, the Socialist Party of Serbia would win only 30, and not 87 seats in the parliament. Zoran (?Hodjera) is of the opinion that because of this, the most important tasks of the new assembly will be to check the regularity of the voters' lists.

The report of the observers' group headed by Helen Delic-Bentley says that there was a large number of irregularities during the campaign. Above all, what is involved was a discrimination of the opposition by the most popular media, the newspaper POLITIKA and Belgrade Television.

Speaking at the news conference, representatives of the Serbian Renewal Movement and the Democratic Party listed a number of (?new) irregularities in some constituencies, and the largest number of them occurred there were Mihalj Kertes, Radmilo Bogdanovic, and Radoman Bozovic, candidates and high officials of the Socialist Party of Serbia—that is, of the state organs—were elected.

Socialist Party of Serbia Main Committee Meets

AU2612154290 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 26 Dec 90

[Text] Members of the Main Committee of the Socialist Party of Serbia and members of the party elected as deputies to the national assembly have met in the party headquarters in Belgrade. It was pointed out at the meeting that the confidence expressed by the citizens of Serbia obliges one to great work, responsibility, and results. One should work hard and mobilize all forces primarily on solving economic problems and increasing the standard of living.

Speaking at the meeting were Slobodan Milosevic, president of the Socialist Party of Serbia, and members of the Main Committee, Borisav Jovic, Dragutin Zelenovic, Nedeljko Sipovac, and Jagos Zelenovic, as well as others.

Deputies of the Socialist Party of Serbia have sent a collective congratulations message to their colleagues from other political parties and independent candidates elected to the national assembly. Desire was expressed for all forces to be directed toward Serbia's prosperity, in

the interest of the Serbian people and all citizens of Serbia, as well as in the interest of the Federal Yugoslavia.

Serbian Orthodox Church Greets Milosevic 'Victory'

LD2412210890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1232 GMT 24 Dec 90

[Text] Belgrade, 24 Dec (TANJUG)—Slobodan Milosevic, president of the Serbian Republic, today received Patriarch of the Serbian Orthodox Church Pavle and members of the Holy Synod—Metropolitan of Zagreb and Ljubljana Jovan and Bishop of Srem Vasilije.

Patriarch Pavle and two members of the Synod extended cordial congratulations to Slobodan Milosevic on his great victory at the first democratic, multiparty elections in Serbia and on his election as the first president of the Serbian Republic. They extended the wish of the Serbian Orthodox Church that the policy of a rich and just society in the interest of the Serbian people and all citizens of Serbia succeeds.

In the course of lengthy and cordial talks, Slobodan Milosevic, Patriarch Pavle, and the members of the Synod discussed issues of interest for state-church relations and expressed mutual satisfaction with the level of understanding and support achieved during the past three years.

Dragan Dragojlovic, chairman of the Serbian Commission for Relations With Religious Communities; and Archpriest Milan Jankovic, secretary of the Holy Synod of the Serbian Orthodox Church, also attended the talks.

Leader of Bosnian Serbs on Ties With Serbia

AU2312161190 Belgrade POLITIKA in Serbo-Croatian 6 Dec 90 p 6

[M. Duric and M. Caric report: "Close Ties With the Center in Serbia"]

[Excerpts] Dr. Radovan Karadzic, president of the Serbian Democratic Party [SDP] of Bosnia-Hercegovina, yesterday held talks with correspondents of Belgrade newspapers in the party headquarters in Sarajevo. The main topic of the conversation was the success of the SDP at the multiparty elections in Bosnia-Hercegovina. [passage omitted]

Who Is Trying To Disturb the Preelection Atmosphere

Dr. Radovan Karadzic, president of the SDP, spoke about the factors which resulted in this party receiving almost one-third of the deputy seats in the parliament of Bosnia-Hercegovina and firmly occupying second place in the republic in terms of political power. The president of the SDP did not miss mentioning POLITIKA's help in printing JAVNOST (SDP's newspaper), whose godfather was, as known, the great novelist Dobrica Cosic.

The Serbian people in Bosnia-Hercegovina trust the leadership of Serbia and this was best demonstrated at numerous preelection political rallies which were often decorated with the pictures of Slobodan Milosevic. For this reason it is exceptionally important that the ties with the center in Serbia are strengthened even more. Care for the Serbian people in diaspora is even incorporated within the Serbian constitution. Something like this has never existed and the Serbs here remember this well.

He said that, judging by recent reports from various places, the Serbian people are very interested in the results of the elections in Serbia and that everybody unreservedly wants the political competition in Serbia to be conducted in a peaceful and democratic atmosphere. This atmosphere, according to the president of the SDP, can only be disturbed by the parties which, disregarding everything, strive for mysticism, clericalism, and messianism.

The SDP of Bosnia-Hercegovina holds the view that in the last three years the present Serbian leadership led by Slobodan Milosevic have made the biggest contribution to democratic processes in Serbia and that, at least as far as is known in Bosnia-Hercegovina, nothing has been banned in Serbia in this period. "Mention me one play or book that has been banned," Karadzic said. [passage omitted]

Dr. Karadzic also said that the success of Serbs in the elections in Bosnia-Hercegovina is not only the result of the work of the SDP, but also of some other factors. First, he said, this is a result of the general revival of the Serbian people which started three years ago with a struggle for a united state of Serbia, and with a turnaround and change of roles in Yugoslavia where Serbia ceased to be a colony and a subordinated territory to its provinces and other republics. This has finally resulted in a new constitution.

Political Spectrum Should Not Be Damaged

During the talk with correspondents from Sarajevo, Dr. Karadzic said, among other things, that the Socialist Party of Serbia is trying to find a place in the center of the political spectrum. The creation of a new League of Communists, which is otherwise not favored here, will help it in its efforts. This leftist party, however, according to Dr. Karadzic, will be useful for the simple reason that the political spectrum should not be damaged.

It is natural, he said, that a political spectrum should have both the extreme left and the extreme right parties. It will, therefore, be easier for the parties converging toward the center to find each other and cooperate. Dr. Karadzic, therefore, takes the view that the impressions and beliefs of the SDP of Bosnia-Hercegovina is that the aspirations of the Socialist Party of Serbia are to move toward the center.

As far as the Serbian Renewal Movement is concerned, Karadzic said, we are against talks with that party

because we are angry with it. We learned that it was in fact this party that was instructing people in Bosnia-Hercegovina to boycott the elections. This was openly stated by the party itself, Karadzic said adding that this inflicted great damage in several communes.

New Parties Changing Bosnian Politics

AU2312165590 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 23 Dec 90

[Ljubomir Nikolic report]

[Text] One can expect the Serbian Democratic Party of Bosnia-Hercegovina to start the initiative of recalling Bogic Bogicevic from the SFRY Presidency soon. Here is more about this issue, as well as about the reaction to Alija Izetbegovic attending the celebrations in Zagreb, in a report by our correspondent, Ljubomir Nikolic:

[Nikolic] Although the Serbian Democratic Party of Bosnia-Hercegovina used to be against recalling Bogic Bogicevic from the SFRY Presidency, a large number of the party's committees and members have recently been demanding of their leadership to do that. The demands stress that Bogicevic was elected in a referendum in which all candidates were members of one party that used to be in power at that time and that he was responsible for his work to the delegates of the former republican assembly. It is further said that Croatia has done the same by replacing Stipe Suvar with Stjepan Mesic. Party committees and individuals also mention names of possible candidates for this post. The most frequently mentioned names are Gojko Djogo, Rajko Petrov-Nogo, and Vojislav Lubarda. However, new names may appear.

The Serbian Democratic Party can be expected to start the initiative to recall Bogic Bogicevic as soon as at the next session of the Republican Assembly, on 27 December, when 12 members of the delegation of Bosnia-Hercegovina to the SFRY Assembly Chamber of Republics and Provinces should be elected.

As concerns the attendance of Alija Izetbegovic, president of the Presidency of Bosnia-Hercegovina, at the celebrations in Zagreb on the occasion of the promulgation of the new Croatian Constitution, Dr. Radovan Karadzic, president of the Serbian Democratic Party Assembly, told us today that the Serbs in Bosnia-Hercegovina are not pleased about that. Izetbegovic's move is very risky, because the Croatian [word indistinct] (?influences) events in the whole of the country and even in Europe. This also applies to Stjepan Kljujic who represents the Croats of Bosnia-Hercegovina. There are 18 percent of them and together with Muslims and Serbs they represent state-forming nations [drzavotvoran narod], while Serbs in Croatia, who are 20 percent of Croatian population, do not have that status, Karadzic says.

The fact that Momcilo [surname indistinct], president of the Assembly of Bosnia-Hercegovina and member of the Serbian Democratic Party, failed to attend the Zagreb celebrations, tells about the different views the three victorious parties have about significant events in (?one and the same) country, Radovan Karadzic added.

Bosnian Army Official on Disintegration of Country

AU2212215490 Belgrade Domestic Service in Serbo-Croatian 2100 GMT 22 Dec 90

[Text] At a celebration in Zvornik, Lieutenant General Milos Bajcetic, commander of the territorial defense of Bosnia-Hercegovina, said that members of the Yugoslav People's Army energetically oppose everything that is leading in an unconstitutional and illegal way and against the will of the people toward the disintegration and reshaping of our country, and threatens the general Yugoslav interests.

Reformist Alliance Pledges 'Principled' Opposition

LD2612201790 Belgrade TANJUG Domestic Service in Serbo-Croatian 1458 GMT 26 Dec 90

[Excerpt] Titograd, 26 Dec (TANJUG)—The Alliance of Reformist Forces for Montenegro will be a principled opposition in Montenegero's new multiparty assembly. It will attempt to make a constructive contribution to all political forces which work toward democratic emancipation and the promotion of civilizational values.

This was stressed today at a news conference by Srdja Darmanovic, Zarko Rakcevic, Bozo Kovac, and Slavko Perovic, representatives of Montenegro reformists. They also stressed that they are not dissappointed by the number of parliamentary seats they have won or by the extent of support they received from the electorate. Explaining the outcome of the elections they drew attention to the preelection atmosphere and especially to, as they put it, a "political-propaganda terror" over the Alliance of Reformist Forces which, in their view, resulted in a large number of voters deserting their political organization. They also thanked everyone who voted for the Alliance thus showing confidence in its election program. The representatives expressed special satisfaction with the fact that the majority of votes for the Alliance of Reformist Forces came from young people and intellectuals. [passage omitted]

Trade Agreement Signed With Romania 26 Dec

LD2612190690 Belgrade TANJUG in English 1623 GMT 26 Dec 90

[Text] Belgrade, December 26 (TANJUG)—Yugoslavia and Romania are to exchange around 450 million dollars worth of goods and services in 1991 under a protocol signed in Belgrade on Wednesday.

The goods exchange between Yugoslavia and Romania has reached 300 millions dollars this year.

The two countries are cooperating the most successfully in chemical, iron and steel and non-metal industries. Machinery, equipment, agricultural and food products also take up a significant place in the mutual exchange.

IMF, World Bank Financial Support Guaranteed

LD2712034290 Belgrade TANJUG in English 0237 GMT 27 Dec 90

[Text] Belgrade, December 26 (TANJUG)—Yugoslavia will be able in the future, too, to count on the financial support of the International Monetary Fund and the World Bank in the implementation of its economic reform programme, as the Yugoslav Federal Government announced today on the basis of the talks its delegation held with representatives of the two international financial institutions in Washington recently.

The Yugoslav delegation, headed by Federal Government member Bozo Marendic, and representatives of the IMF and the World Bank fully agreed in the assessment of the macro-economic policy implemented in Yugoslavia this year and of the proposed economic policy concept for 1991, as the Federal Government statement said.

Very positive results were achieved in Yugoslavia in the first half of this year, according to IMF experts and ranking officials.

In the second half of the year, however, the set frameworks of the anti-inflation policy were broken in a number of sectors, which was especially true of public spending and personal incomes.

The economic policy measures proposed by the Yugoslav Federal Government for next year will, in the opinion of IMF and World Bank representatives, enable continuity in the implementation of the reform policy, provided Yugoslavia succeeds to resolve the current internal political situation and its Federal Government receives the instruments necessary for the implementation of the respective policy, as the statement set out.

Budimir Loncar Visits Brussels; Holds Talks

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For reportage on the visit by Federal Secretary for Foreign Affairs Budimir Loncar to Brussels, including reports on his attendance at the ninth regular session of the Council for EC-Yugoslav Cooperation and his talks with Jacques Delors and Frans Andriessen, president and vice president respectively of the European Commission, please see the International Affairs section of the 19 December West Europe DAILY REPORT and subsequent issues.